

Aoun row could be solved in days

BEIRUT (R) — Lebanon's foreign minister said Monday a dispute over rebel General Michel Aoun, a refugee at the French embassy in Beirut for the last 10 months, could be solved in a few days. "There is an initial resolution to end the case of General Aoun in the next few days," Minister Faris Bourez told Reuters. "The case of Aoun is moving towards treatment and within a context that guarantees for the Lebanese state its dignity and prestige and solves the problem of Aoun's presence at the French embassy. All this is in a context of a general solution for problems of the Lebanese war." He declined to give any details but it would apparently leave Gen. Aoun free to go into exile in France. Gen. Aoun, at the end of an unsuccessful eight-month campaign to force Syrian troops out of Lebanon, fled to the embassy on Oct. 13 last year and France granted him political asylum. Syrian warplanes had bombed his headquarters and Syrian and Lebanese troops seized the enclave under his control. The Syrian-backed government refused to let the general leave for exile in France. It accused him of war crimes and demanded he hand over \$35 million which it said he had stolen through illegal taxes. Gen. Aoun said the money was given to him by his supporters.

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Arab League chief holds talks in Algiers

ALGIERS (R) — Arab League Secretary-General Esmat Abdul Meguid said Monday the group would try to coordinate an Arab position ahead of a planned Middle East peace conference. Dr. Abdul Meguid arrived from Tunisia, where he met President Zine Al Abidine Ben Ali and Palestinian leader Yasser Arafat. He flew on to Morocco for talks with King Hassan. He said in Tunis that his tour was designed to restore Arab solidarity shaken by the Gulf war and that a special Arab summit might be held before the proposed Middle East peace conference. After talks in Algeria, Dr. Abdul Meguid said President Chadli Benjedid was very conscious of the position of his country and the Maghreb "in the future of the Arab Nation and the responsibility on each state in the whole process of peace and unity throughout the region. After this information tour, the Arab League will start a coordination phase to achieve this aim."

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Masri visits industrial fair

AMMAN (Petra) — Prime Minister Taher Al Masri Monday visited the Jordan Industrial Fair, where he voiced his total satisfaction over the outstanding standards that Jordan's industry has reached and its contribution to the country's economy. The prime minister was speaking to industrialists during his tour of the different pavilions of the second national industrial fair, which opened on Aug. 10, at the Amman International Fair in Marj Al Hamam on the occasion of His Majesty King Hussein's accession to the Throne.

Iraq repairs 49 bridges, 34 buildings

BAGHDAD (R) — Iraq said Monday it had repaired Gulf war damage to 49 bridges and 34 government buildings in the past five months. Housing and construction Minister Mahmoud Diyab Al Ahmad told the government daily Al Jumhuriyah his ministry was carrying out repairs on another 28 bridges in different parts of Iraq and two telephone exchange buildings in Baghdad. More than 80 bridges and dozens of buildings were hit in 43 days of U.S. and allied air raids in January and February. Most of the bridges bombed were in the south where the allies sought to cut off Iraqi forces in and near Kuwait from Baghdad. Mr. Ahmad said repairs were completed to seven television stations and three telephone exchange buildings in Baghdad. Telephones are working again in some areas of Baghdad.

Mauritanian police break up women's protest

NOUAKCHOTT (R) — Mauritania's police beat dozens of women with heavy sticks Monday to break up a protest over human rights in the northwest African country, witnesses said. About 40 women were injured, mostly by blows to the head, neck and back. Some 150 women staged the sit-in protest outside a paramilitary police base in the capital Nouakchott, demanding an independent inquiry into the fate of hundreds of Mauritians who disappeared in mass arrests following an alleged coup attempt last year. They were joined by 35 ex-prisoners who say they survived torture during their detention. Most of the demonstrators were members of the Hal-Pulaar ethnic group. The government has denied torture and killings but the army has quietly been paying compensation to some bereaved families. Results of an army inquiry into the allegations have not been published.

U.N. soldiers wounded in Lebanon

TEL AVIV (R) — Three Nepalese soldiers in the U.N. peacekeeping force in Lebanon were wounded by explosives planted beside their post, a U.N. spokesman said Monday. Two soldiers were in a serious but stable condition on Monday from the attack Saturday. The soldiers were part of the United Nations Interim Force in Lebanon (UNIFIL), sent to South Lebanon after an Israeli incursion in 1978. "We can't find out how it was detonated or by whom, but we do know it was planted very recently, probably the night before," said UNIFIL spokesman Timor Goksel. Two civilians were injured Friday night when a grenade was thrown at the Norwegian headquarters of the U.N. forces.

Rains make thousands homeless in central Sudan

KHARTOUM (R) — More than 4,500 families have been made homeless and three children killed in central Sudan after heavy rains that ended two years of drought in much of the country. The state-owned newspaper Al Sudan Al Hadith (Modern Sudan) reported Monday rain had made more than 1,500 families homeless in the Blue Nile town of Damazin, about 480 kilometres southeast of Khartoum.

Masri rules out separate peace deals with Israel

If no solution found for Palestinian problem then no solution for any problem • Arab and Palestinian rights and Israeli withdrawal will be focus of talks

AMMAN (J.T.) — Prime Minister Taher Masri, reaffirming that Palestinian and Arab rights and exchange of land in return for peace will be the focus of talks in a proposed Middle East peace conference, Monday ruled out any separate deal with Israel.

"I do not think there is a possibility of separate solutions — not with Syria and certainly not with Jordan," Mr. Masri said in an interview with Jordan Television.

The prime minister, in his first major interview since assuming office June 19, said that "if we do not find a solution to the Palestinian problem then there is no solution to any problem."

Mr. Masri said that there is no guarantee for the success of the current peace efforts but negotiations constitute one aspect of confronting the enemy to demand the return of the occupied Arab lands.

"We have to say that negotiation is one of the forms of confrontation with the enemy... a person who goes to a conference does not sign on anything — he goes there to demand the return of occupied Palestinian lands," he said.

"Those who harbour suspicions about the success of the peace process are right because no one can give

guarantees as to the prospects of the peace efforts," Mr. Masri said. Jordan is currently going through a stage of "difficult questions and limited alternatives," but the Kingdom will remain true to its national stand and will continue to regard the Palestinian problem as the basis for peace negotiations, since this problem concerns the land and people of Palestine, the prime minister said.

The United States has proposed the peace conference breaks up into direct talks between Israel and the Arab states and between Israel and Palestinians from the occupied territories.

Preparations for the peace conference are ongoing on who will represent the Palestinians at the talks. Israel refuses to deal with the Palestine Liberation Organisation or any delegates from East Jerusalem.

The United States favours including Palestinians in a joint delegation with Jordan.

Mr. Masri said Jordan had not yet decided whether it would attend any talks if it did, Mr. Masri hypothesized, Jordan will not speak on behalf of the Palestinians.

Mr. Masri reiterated that Jordan can by no means serve as a substitute for the Palestinians in the peace conference and the Palestinians should choose their own representatives because they are the main concerned party in this affair.

"The whole issue is connected with the Palestine problem itself and the Palestinian people and their land," said Mr. Masri. "Israel is simply trying to evict the Palestinian people from their homeland and wants to seize all Palestinian lands in order to establish the so-called 'greater Israel,' and therefore I do not think that there is a possibility of separate solutions — not with Syria and certainly not with Jordan," Mr. Masri said.

"Everybody is convinced that there must be a comprehensive solution tackling all the dimensions, and if we do not find a solution to the Palestinian problem then there is no solution to any problem," the prime minister said.

The prime minister said that the Arab World "is currently going through a stage characterised by weakness unprecedented in its old and modern times."

He said that the present Arab generation "has found itself in the post-Gulf crisis situation facing the fact that the Arab World has lost all cards which it used to possess."

"We used to say that we had the oil weapon, the Arab funds weapon, the military weapon and the solidarity weapon and we also had the Soviet Union on our side in case we needed military or economic aid, but all these weapons have now vanished altogether," he said.

In reply to a question about the



Taher Masri

government's relations and dealings with the Lower House of Parliament, Mr. Masri said: "The work of the executive authority is interlinked with that of the legislative authority unlike the situation that prevailed in the past when the government had the upper hand because, there were no certain principles to govern this relationship; not was democracy practiced in the full meaning of the word."

(Continued on page 5)

Kidnappers ask U.N. to seek release of 'all detainees'

GENEVA (Agencies) — Lebanese hostage-takers told U.N. Secretary General Javier Perez de Cuellar in a letter made public Monday that they will free their Western captives if he can "secure the release of all detainees throughout the world."

The letter by Islamic Jihad was released by the United Nations a day after it was handed to Mr. Perez de Cuellar by British hostage John McCarthy, who was freed by the group on Thursday.

"In view of our belief in the need for action to secure the release of our freedom-fighters from prisons in occupied Palestine and Europe and also to question of the detainees whom we are holding and the problems of their families, we call upon you to make a personal endeavour, within the framework of a comprehensive solution, to secure the release of all detainees throughout the world," the letter said.

"In such an eventuality we would be perfectly willing to complete the process that we began today and to release the persons whom we are detaining within 24 hours."

Mr. Perez de Cuellar said he was "a little more hopeful" about resolving the hostage crisis.

"We have very concrete evidence that those who seized the hostages are interested in a solu-

tion," he told newsmen as he arrived at United Nations headquarters in Geneva for meetings. Asked if a solution to the hostage crisis was near, Mr. Perez de Cuellar replied: "I would not say near, but nearer than before."

The U.N. chief spoke after studying the letter from Islamic Jihad.

Asked if he was encouraged by a meeting he had with senior Israeli trouble-shooter Uri Lubrani in Geneva Sunday, Mr. Perez de Cuellar said: "I have explained to the Israelis what I have heard. I think it is only fair to give the Israelis time to reflect."

"The first reaction I have heard from the Israelis is a positive one, but I have to see them again in order to know what is their clear-cut official position."

He said the problem did not concern only Israel. "I need the support of all countries directly or indirectly concerned. If it is necessary I would not hesitate to go to the Middle East."

Asked if he would try to secure the liberation of Arabs held in European prisons, Perez de Cuellar said: "I will try to deal with all aspects of the problem in order to obtain that all detainees are really freed."

He emphasised: "Don't forget that I am using the words 'all detainees'."

Asked if this phrase covered people convicted of murder, Mr. Perez de Cuellar said: "That is a different problem. There you have a juridical problem, which is not exactly the same thing as the other detainees."

Perez de Cuellar said the letter from Islamic Jihad did not ask for a reply, but called for action. "As soon as I received the letter I had to start moving," he said.

He added that he was in touch with everybody who might be able to help him in his mission to obtain the release of all detainees — whether Israelis, Lebanese, Americans, British, Germans or Italians.

"I have no right to make differences," Mr. Perez de Cuellar said.

"For me all are people who need the United Nations secretary-general's assistance from a very and exclusively humanitarian point of view."

Israel Radio said Mr. Lubrani would brief Israeli Prime Minister Yitzhak Shamir and Defence Minister Moshe Arens on the Geneva meeting later in the evening.

Mr. Perez de Cuellar said earlier he was trying to get information.

(Continued on page 5)

Israeli army increases presence in Jerusalem

OCCUPIED JERUSALEM (Agencies) — The Israeli army Monday increased its presence in Arab East Jerusalem, site of a mounting wave of anti-occupation protests in recent days.

There was no immediate explanation to the move, but it was believed that the Israeli occupation authorities feared a further escalation of violent protests by Palestinians as the apparent deadlock in Palestinian representation to a proposed peace conference continues.

On Sunday, Israeli soldiers shot and killed a Palestinian in the West Bank.

In a clash between dozens of stone-throwing Palestinians and Israeli soldiers in the West Bank city of Ramallah, troops shot Arin Kolizyan, 17, in the chest, Arab reporters and Israeli radio said.

Kolizyan, an Amman, was brought dead to Ramallah hospital, the reports said.

An army spokesman confirmed that shots were fired in Ramallah and that a Palestinian was killed. However he said the circum-

stances of the death were still under investigation.

Kolizyan's death brought to 845 the number of Palestinians killed by Israeli soldiers or civilians since the start of the 44-month uprising against Israeli rule in the occupied territories, according to an AP count.

In occupied Jerusalem, police decided to adopt a more aggressive stand against increased violence in the eastern sector of the city, police spokesman said.

Police commander Haim Albades said police would act to curb increased anti-Israeli activity, imposing curfews if needed.

"In those same areas where there will be incidents... that will disturb the peace or endanger the public, we will react harshly as needed," he said.

Curfews are rarely imposed in East Jerusalem although they are often clamped on towns in the West Bank and Gaza Strip.

The spokesman said the number of officers patrolling the city's eastern sector would increase as well as the number of policemen on each patrol.

Israel likely to get \$10b in U.S. loan

WASHINGTON (R) — Israel intends to formally apply for \$10 billion in U.S. loan guarantees in the first week of September and its supporters are confident that Congress will pass the necessary legislation by the end of that month.

Sources close to the issue said both houses of Congress were likely to approve the measure, which is intended to provide Israel with cash for the absorption of Soviet Jewish immigrants, by overwhelming majorities.

"In the Senate, I can't see it getting less than 80 of the 100 votes and it may well get 90. There is going to be minimal opposition to this, in fact people will be surprised how little," said one source.

If the measure did win that kind of support it would give the lie to those who believe that the power of the pro-Israel lobby on Capitol Hill is waning and provide a powerful symbol of U.S. support for Israel just before the possible October convening of an Arab-Israeli peace conference.

Israel expects to receive about one million Soviet immigrants in the next five years and desperately needs cash to build housing and provide jobs for them.

Administration officials have suggested that President George Bush's attitude to the proposed loan guarantees might be tied to

Israeli behaviour in peace negotiations and on its settlement activity in the occupied territories.

The legislation will allow Israel to raise longer-term lower interest loans backed by a U.S. Treasury guarantee than would otherwise have been possible. Israel will be able to borrow \$2 billion over each of the next five years.

Israel is already the largest recipient of U.S. military and economic aid, receiving an annual \$3 billion. It receives the money on condition that none is spent in the occupied territories.

The United States regards Jewish settlements there as an obstacle to peace and would like to see them frozen. It has won the agreement of several Arab states for a suspension for the Arab economic boycott of Israel in exchange for a settlement freeze.

But Israeli Prime Minister Yitzhak Shamir has spurned the proffered deal and accelerated the settlement drive. Some 110,000 Jews now live in the West Bank and a further 150,000 in Jewish neighbourhoods of Arab Jerusalem.

Pro-Israeli senators on the key Sub-Committee on Foreign Operations are pushing to write the loan legislation in such a way that the administration has minimal scope for holding up the money.

American officials end visit

AMMAN (J.T.) — An American team sent here to prepare a memorandum of understanding on the proposed Middle East peace conference left Jordan Monday, diplomatic sources said.

The team, made up of Daniel Kurtzer, deputy assistant secretary of state for Near Eastern affairs, Edmund Hall of the National Security Council, and Aaron Miller from the State Department, discussed matters related to Jordan's queries and clarifications about several elements in the peace process, said a spokesman for the Ministry of Foreign Affairs.

The three U.S. officials, who arrived here from Israel, have been informed of the Jordanian request of having assurances about the Palestinian people's rights, including the right to self-determination and clarifications about the status of Arab Jerusalem, according to the spokesman.

The three U.S. officials had met with Faisal Hussein and Hanan Ashrawi, two prominent Palestinian personalities, to discuss issues pertaining to the peace process.

According to the Foreign Ministry spokesman the three officials held talks with Jordanian officials at noon Monday before leaving for home.

The Foreign Ministry spokesman did not say who the American team met with in Amman. No details were immediately available.

Government sources said late Sunday after meeting the delegation that it was unlikely they would be able to draft the document during the 24-hour visit, Reuters reported.

"We do not have a memorandum but we will get it (eventually)," a senior official told the agency. "There are some differences of opinion... and there are discussions on the ideas."

The Jordan News Agency, Petra, said the U.S. team's visit had focused on receiving Jordanian questions and explanations over the details of the peace process and assurances which Jordan is asking for.

It said Jordan wants assurances on Palestinian rights to land and self-determination plus other issues dealing with the occupied Arab territories, particularly Jerusalem.

Jordan backs the U.S.-proposed conference as a means of securing Israeli withdrawal from the occupied territories in exchange for peace guarantees, in line with U.N. Resolutions 242 and 338.

Suspect arrested in UNESCO killing

By Maha Addasi
Special to the Jordan Times

AMMAN — Police Monday announced the capture of the suspected assailant of a senior United Nations official who was shot dead in Amman Sunday.

Subhi Yousef Khalil Sukkar, 41, a driver with the United Nations Educational, Scientific and Cultural Organisation (UNESCO), was arrested at 2 p.m. Monday — more than 24 hours after UNESCO acting director in Amman Hamid Khawad was shot dead while holding a meeting at the UNESCO office in Amman, police said in a brief statement.

Police sources who declined to be identified said the suspect has "confessed to the killing and cited 'injust' treatment by Dr. Khawad" — a Sudanese national who also served as director of the United Nations Regional Office for Education in the Arab World.

"The suspect said that Dr. Khawad ignored his repeated requests to know of his rights" as an employee of UNESCO, which has decided to move to Beirut before the end of this year, said a police source.

According to UNESCO officials, the transfer to Beirut would not affect the status of the local employees of the agency, which will retain part of its offices in Amman. However, the officials said, Mr. Sukkar appeared unaware of the provision when he burst into the UNESCO office early Sunday and shot Dr. Khawad.

Two other UNESCO employees were injured in the attack. They were reported in stable condition in hospital.

The suspect fled the scene immediately after the attack, and police had drawn a wide dragnet for him.

According to sources, Mr. Sukkar contacted a "very close family member over the phone Sunday night," but it was not known whether this offered a break to police in locating him.

Monday's police statement said that when the arrest took place Mr. Sukkar had in possession the gun he used in the attack. "The gun was loaded with eight bullets," said the police statement, signed by Brigadier General Izzeddine Thathah.

The statement did not say where the suspect was arrested or give details of the arrest. But police sources said the capture took place near Maftaq, about 100 kilometres north of Amman.

Reports have said that Mr. Sukkar was "mentally deranged" and was receiving psychiatric help. Sources at the UNESCO said the attack appeared to have prompted by his fears that he might lose his job as a result of the agency's move back to the Lebanese capital.

The suspect, a resident of Russeifa north of Amman, is married with eight children. He has been employed by UNESCO since 1987.

Minister of Education Eid Dahiyat, in his capacity as chairman of the Jordan National Com-



Hamid Khawad



Subhi Sukkar



Subhi Sukkar holds a photograph of his children (Photo by Yousef Al 'Alkan)

mission for UNESCO, meanwhile sent message of condolences to UNESCO Director-General Federico Mayor, expressing regret over Dr. Khawad's killing and paying tribute to the late official's "competence, dedication and friendship."

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Iraq shows its 'supergun' to U.N. inspection team

BAGHDAD (R) — Iraq has shown its supergun to the U.N. arms control team sent to destroy it.

Its barrel is 52.2 metres long and 250 millimetres across. Wolfgang Buttler, head of a U.N. ballistics team monitoring Iraqi compliance with Gulf war ceasefire terms, told Reuters Monday they saw the giant cannon in mountains north of Baghdad Sunday and found it "assembled but not operational."

Under threat of renewed U.S. bombing unless it bared all its nuclear secrets, Iraq admitted in July that it had built and tested the 350-mm supergun.

It also declared components for a "doomsday gun" which would have fired shells 1,000 kilometres across and according to ballistics experts could have bombarded

Israel.

Mr. Buttler praised Iraq's cooperation, saying it had allowed his inspectors to see whatever they wanted and even provided unsolicited information.

"The Iraqis have declared the supergun and I had the mission to make the first survey," he told Reuters.

"The gun is assembled but not operational," he said.

Mr. Buttler said his team, the second of its kind to visit Iraq, had inspected the assembled gun Sunday at an abandoned site in the Hamaayn mountains, 150 kilometres north of Baghdad.

"It's an initial survey. We have taken photographs and as much information as possible," he said that under the terms of the ceasefire the gun would have

to be destroyed but he added that the U.N. special commission would decide how it would be destroyed.

He declined to give further details before reporting to the U.N. special commission monitoring the ceasefire terms.

Under the terms of the ceasefire the Security Council imposed on Iraq after the Gulf war at the end of February, Baghdad must declare and scrap its weapons of mass destruction.

Iraq destroyed its 62 declared ballistic missiles in June in an operation supervised by the first team of U.N. ballistic inspectors.

Mr. Buttler said his team, which arrived Thursday, had inspected seven sites, mainly missile production and repair facilities and storage depots.

He said the team had made three or four short-notice inspections and had found storage tanks for the special fuel for the Scud missiles which Iraq fired at Israel and Saudi Arabia during the Gulf war.

These tanks would be destroyed, but he said that they were not things that Iraq had to declare. "There is no violations of the (ceasefire) resolution."

A fourth team of U.N. inspectors hunting for evidence of a secret Iraqi nuclear weapons programme left Iraq Saturday.

Team leader David Kay said Iraq had been cooperating fully in providing inspectors access to sites but said it could speed up the inspection process by providing more information more quickly in answer to questions.

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Bush: Hostage release linked to peace process

KENNEBUNKPORT, Maine (R) — Hours after an American hostage was freed in Lebanon, President George Bush said he believed efforts for a Middle East peace settlement following the Gulf war helped to create momentum for the release of Westerners.

The president said at his holiday home in Kennebunkport, Maine, Sunday he thought the "encouraging umbrella" of Middle East peace talks had promoted the release of American, French and British hostages this week.

Mr. Bush said he hoped the process that had led to the release of American Edward Tracy, Briton John McCarthy and Frenchman Jerome Leyraud would "go forward," with the release of all hostages in the region — indicating he thought Shiite prisoners held by Iraq should also be freed.

"I do think that there's an overall climate internationally now that permits — or put it this way — that would encourage hostage holders to set aside some of their alleged reasons for holding people or their grievances in order to permit them to release them," Mr. Bush told reporters.

"And by that, I'm talking about hope that this peace process will go forward. There's some connection here, there's no question about that," he said.

"So I think if there's any overall kind of blanket reason to be optimistic, it might be that people around the world see that there's a good chance that ancient ene-

mies will sit down and talk peace," Mr. Bush said.

Mr. Tracy, a 60-year-old book salesman, was set free by the Revolutionary Justice Organisation after nearly five years in captivity.

British journalist McCarthy, 31, was freed three days ago after five years as a captive of Islamic Jihad, a group with connections to the Iranian Hizbollah (Party of God).

Mr. Leyraud was released early Sunday just three days after he was seized by a shadowy group.

Mr. Bush said Western hostages who have been freed in the past have reported that their captors are concerned about the fate of the Palestinian people, one of the issues to be addressed in a proposed Middle East peace conference.

The United States and the Soviet Union are trying to organize a parity by October and Secretary of State James Baker has made six trips to the Middle East since the Gulf war ended to try to arrange peace talks.

Mr. Bush noted a change of attitude on the part of Iran, long a diplomatic foe of the United States, thanking Tehran for using its influence with Lebanese groups to gain the release of hostages. But he said U.S. relations with Iran could not be normalised until all hostages were freed.

There are 10 Western hostages left in Lebanon — five Americans, two Britons, two Germans, and an Italian.

He called on all countries in the region to free hostages and although he did not say so specifically it was clear he included Israel, which has several hundred Arab prisoners. "I'm saying everybody that is held as a hostage should be released by every country, whichever it is," Mr. Bush said.

Israel said Sunday it was willing to discuss freeing the nearly 400 Arab prisoners as part of an overall swap once it learned the fate of seven missing Israeli servicemen.

In south Burlington, Vermont, Mr. Tracy's mother, Doris, 83, told reporters after seeing television footage: "He looked as though he had lost weight and he looked older. He'd changed quite a bit."

She said her son's three children — a son in Germany and two daughters in the Canary Islands — were on their way to see him in Wiesbaden, Germany, where he arrived at a U.S. military base for medical checks Sunday.

The brother of Joseph Cicippio, held hostage since September 1986, said: "Perhaps the next time it will be Joseph." Thomas Cicippio put a "freed" sign next to Mr. Tracy's name at a hostage-support lawn display the family maintains at their Norristown, Pennsylvania home.

Peggy Say, sister of hostage Terry Anderson, said in a ABC Television interview that it did not — matter which hostage comes out next as long as the process continued.

Hawatmeh denounces U.S. plan

ALGIERS (R) — A hardline Palestinian leader denounced U.S. plans for a Middle East peace conference and, in an interview Monday, accused Arabs backing it of acting through fear.

Nayef Hawatmeh, leader of the Democratic Front for the Liberation of Palestine (DFLP), said the plan for October talks between Arab countries and Israel had clear objectives.

These were "to exclude the Palestine Liberation Organisation (PLO) from the negotiations, to seek to integrate Jerusalem in Israel, and to ignore the rights of four million Palestinian refugees outside (the occupied territories)."

He told El Moudjahid, the newspaper of Algeria's former ruling party: "We want a peace conference based on the following conditions:

"First: The PLO must form the delegation to this conference, representing our people at the negotiating table;

"Second: The conference must respect international legitimacy which insists on the withdrawal of Israel from all territories occupied in 1967 including the Holy City of Jerusalem, the end of Jewish colonies, and the right of the Palestinian people to self-determination."

The DFLP is represented on the PLO Executive Committee. Israeli efforts to exclude Jerusalem from the conference, refusing to accept a delegation from the Arab East of the city, and its rejection of any PLO participation, are the main barriers holding up plans for the U.S.-Soviet-sponsored talks.

Mr. Hawatmeh arrived in Algiers Sunday night on a visit coinciding with that of Arab League Secretary-General Esmat Abdul Meguid.

Mr. Hawatmeh echoed PLO Chairman Yasser Arafat's statement that the exclusion of the PLO meant the talks would just be another Camp David, which led to a peace accord between Egypt and Israel but failed to bring peace to the region.

"There is the application of the decisions from the different Arab summits," he asked. "Frankly, the Arab states are not applying their resolutions."

"They have more and more fear of the United States since the Gulf war. Several countries, such as Jordan, Syria, Egypt and Lebanon have accepted the American plan... knowing that this plan contradicts the Arab summit resolutions which recognised the Palestinian people's right to self-determination, to an independent state and the right of refugees to return..."

He accused them of not applying the June 1988 Algerian summit decision to support the intifada in the occupied territories.

"We have done what we promised. We hope they will do what they pledged," said Mr. Minhaj, who like most Afghans uses only one name.

"Mr. Qurban Ali's release leaves 310 Soviet soldiers unaccounted for during the Soviet military's nine-year involvement in Afghanistan, its southern neighbour. The guerrillas say they are holding no more than 75 Soviet prisoners."

Mr. Qurban Ali, a 31-year-old native of Tajikistan, was captured in northeastern Herat province, three months after he was drafted into the Red Army.

More than 115,000 Soviet soldiers were sent to Afghanistan between December 1979 and February 1989 to prop up successive Communist-style governments battling an insurgency.

Mr. Qurban Ali made no comments at the new conference, but sat quietly, looking slightly bewildered. Afterward, he embraced

citizens who went to Lebanon at their own private initiative, sometimes against the position of their government. This is a case of Israeli soldiers who were sent there by our government," he told army radio.

"We're not talking about citizens who went to Lebanon at their own private initiative, sometimes against the position of their government. This is a case of Israeli soldiers who were sent there by our government," he told army radio.

Bakhtiar murder suspects have Turkish passports

PARIS (R) — Two Iranians suspected of involvement in the assassination of former Iranian Prime Minister Shapur Bakhtiar are travelling under Turkish passports, French police said Monday.

Police investigating last week's murder of Mr. Bakhtiar in Paris said two of the last three men to have seen him were spotted on Aug. 7, the day after the killing, in the French Alps. Iranian-born Ali Vakili Rad, 32, and Mohammad Azadi, 31, had been seen near the town of Salanches.

These individuals, using Turkish passports, may have been trying to leave France to get to Switzerland or Italy," police said in a statement.

The third man being hunted by police, Iranian Sardoum Boyer Ahmadi, had lived in France since 1984.

The three men visited Mr. Bakhtiar last Tuesday. The 76-year-old former prime minister, who fled Iran after the Islamic

revolution in 1979, was found dead Thursday morning.

Police Saturday published photographs of the three men, but acknowledge privately that the 36-hour delay before Mr. Bakhtiar's body was discovered may have enabled them to flee the country.

An Iraqi newspaper Monday accused Iran of assassinating Mr. Bakhtiar.

"It would not need much guesswork to conclude that Iran is the main culprit," the English-language Baghdad Observer said in an editorial describing Mr. Bakhtiar as the apparent victim of state "sponsored terrorism."

"Bakhtiar is not the first nor will he be the last Iranian dissident to be murdered. Iran's hit list is long enough to include others."

Iraq has accused Iran, with which it was at war from 1980 to 1988, of meddling in its internal affairs in the wake of the Gulf war in February.

Kuwait drops indefinite detention without trial

KUWAIT (R) — Kuwait, trying to improve an image tarnished by martial court trials after the Gulf war, has outlawed the indefinite detention of political prisoners.

Under amendments to state security laws, published by the Kuwaiti media Monday, political prisoners can now be held without trial for a maximum of six months.

Defendants, previously denied the right to appeal under martial law courts, will also enjoy better legal safeguards.

A special tribunal will scrutinise the work of the state security courts, which have replaced martial law courts for trials of political prisoners and people accused of collaboration during the Iraqi occupation of the emirate between August 1990 and February 1991.

Abdul Aziz Al Dakhil, deputy

minister of justice, said the aim of the amendments was to limit "state security detentions."

"The new law obliges the attorney general to send detainees to court for trial once six months has elapsed from the date of arrest," he added.

In the past some political prisoners have been tried in their cells or held indefinitely without charges.

The amendments will benefit some 400 people either sentenced or awaiting trial on charges arising from the Iraqi occupation.

The martial law courts, set up after Kuwait's liberation on Feb. 28, tried and sentenced to death 29 people charged with helping the Iraqis.

The conduct of the trials and the harsh verdicts were criticised by human rights organisations and by the United States.

Afghan Mujahedeen release Soviet soldier in goodwill step

ISLAMABAD (AP) — Afghan guerrillas Monday freed a Soviet prisoner of war as goodwill gesture and then sat down with a Soviet official to talk about ending their country's the 13-year-old civil war.

The U.S.-backed guerrillas who held Qurban Ali Tashirfov since 1984 turned him over to Russian Republic Foreign Minister Nikolai Kozyrev, who was wrapping up a two-day visit aimed at finding a settlement to the war.

In exchange for his release, the government in Kabul has agreed to release 25 imprisoned Mujahedeen later this week, said guerrilla spokesman Minhaj.

"We have done what we promised. We hope they will do what they pledged," said Mr. Minhaj, who like most Afghans uses only one name.

"Mr. Qurban Ali's release leaves 310 Soviet soldiers unaccounted for during the Soviet military's nine-year involvement in Afghanistan, its southern neighbour. The guerrillas say they are holding no more than 75 Soviet prisoners."

Mr. Qurban Ali, a 31-year-old native of Tajikistan, was captured in northeastern Herat province, three months after he was drafted into the Red Army.

More than 115,000 Soviet soldiers were sent to Afghanistan between December 1979 and February 1989 to prop up successive Communist-style governments battling an insurgency.

Mr. Qurban Ali made no comments at the new conference, but sat quietly, looking slightly bewildered. Afterward, he embraced

Mr. Kozyrev, Pakistani Foreign Secretary Shaharyar M. Khan and his former captors before Soviet diplomats took him away.

Mr. Kozyrev thanked the guerrillas for freeing Mr. Qurban Ali and brushed aside criticism that Moscow had not done enough to end the war that has left more than 1.5 million Afghans dead and another six million in exile.

"It's not up to the Soviet Union to stop the war. It's up to the Afghans themselves," said Mr. Kozyrev, speaking in Persian.

Mr. Kozyrev said imprisoned guerrillas would be released in two days and taken to the Pakistani city of Peshawar, the headquarters of the Afghan resistance.

Mr. Kozyrev, the most senior Soviet official to meet U.S.-backed guerrillas since the withdrawal, met the senior guerrilla leaders to discuss a settlement to the war based on a U.N. peace plan.

The plan unveiled by U.N. Secretary General Javier Perez de Cuellar in May calls for outside powers to cut off arms supplies and for a ceasefire and talks among Afghan groups leading to a transitional government to oversee elections.

The stumbling block to a solution, however, centres around the role of Afghan President Najibullah in a transitional government. While even the most moderate Mujahedeen reject Mr. Najibullah as president, Moscow appears unwilling to abandon him.

Moscow continues to send its allies in Kabul about \$300 million in aid each month, much of it from the Russian Republic.

MIDDLE EAST NEWS IN BRIEF

Iraqi daily assails U.S. over Turkey's attacks

BAGHDAD (R) — Iraq's army newspaper Monday criticised the United States' silence over what it termed Turkey's oppression of the Kurds. "The suspicious silence, especially that of America, towards the oppressive operations against Turkey's Kurds truly reflects... political hypocrisy," Al Qadisiyah said in an editorial. Turkish forces, supported by planes and helicopters, last week crossed the Iraqi frontier to strike at Turkish rebel Kurds they said were based in Iraq. The Turks are setting up a buffer zone to protect their frontier from attack by the Kurds. "The American attitude... is not identical or equal to that it adopted during the events in northern Iraq when America and the European states set the world topsy-turvy," the paper said. The United States and several European countries sent forces to northern Iraq and established safe havens for Iraqi Kurds to protect them from Baghdad government reprisals when their rebellion failed in March. "This (Turkish) military operation is a new and added proof of the double standard policy adopted by the U.S. alliance," it said. Iraqi Kurds said last week they disassociated themselves from guerrilla operations in Turkey by autonomy-seeking Turkish Kurds.

Iranian minister ends visit to Syria

NICOSIA (R) — Iranian Interior Minister Abdollah Nouri returned to Tehran Sunday after a five-day visit to Syria, the Iranian news agency IRNA reported. Asked by reporters about the timing of the visit to Damascus and the release of three Western hostages by pro-Iranian kidnappers in Lebanon, he said: "My visit had no connection with the hostages." Before leaving Damascus Mr. Nouri told Syrian radio there had been "an all-round development of ties" between Syria and Iran, especially between the interior ministries. "As I leave Damascus, I can only say we had very successful and useful talks concerning our common interests," he said. Mr. Nouri said that among topics he discussed were Middle East peace efforts, the repatriation of fugitives by both countries and anti-drug policies. IRNA said.

Egyptian police arrest radar thieves

CAIRO (R) — Police arrested three young men who stole a three-tonne \$300,000 radar dish from a Cairo airport and sold it as scrap for 300 pounds (\$90), security sources said Sunday. The men — one jobless, the second a painter and the third an employee in a printing house — spent two nights two weeks ago dismantling the 28-metre high radar installation from the civilian Imbaba airport, in northwest Cairo. Imbaba airport is mostly used to train civilian pilots. The sources said the thieves transported the radar parts in horse-driven carts and later sold them to a scrap metal merchant.

Ultra-orthodox Jews volunteer for army

TEL AVIV (R) — Ultra-orthodox Jews voluntarily joined the Israeli army Sunday for the first time in the history of the Jewish state, Israel Television said. Ultra-orthodox Jews are exempt from three years of mandatory military service for 18-year-old Israeli men so that they can study in religious seminaries. Many secular Jews feel bitter about the exemptions. The television said the three new recruits, all 25 years old, would serve four months of basic training and return to their studies. They would later return for reserve duty.

Rare report appears on kidnapped sheikh

TEL AVIV (AP) — Sheikh Abdul Karim Obeid, the Shiite Muslim cleric kidnapped by Israel from Lebanon, has learned Hebrew during his two years in prison, a newspaper said Monday. He has his own cell, devoutly practices his religion, and chats in Hebrew with his guards, said the mass-circulation Yedioth Ahronoth in a front-page report. It said he studied Hebrew during his captivity and speaks it well. The paper did not say in which prison he is held. Sheikh Obeid was kidnapped by Israeli agents from his southern Lebanon home in July 1989. Israel accuses him of being a leader in the pro-Iranian Party of God, the umbrella for hostage-holding groups. Since Sheikh Obeid's kidnapping, little information on his jail conditions has appeared in the Israeli media. Yedioth called Sheikh Obeid "the most important Shiite detainee held by Israel" and said Israel would free him only as part of a general exchange involving seven Israeli servicemen missing in Lebanon.

Hogg ties Iraqi assets to Richter

LONDON (Agencies) — A Foreign Office minister Sunday called on Iraq to free an imprisoned British businessman and suggested such a move would lead to the unfreezing of some Iraqi assets in London. Douglas Hogg, Foreign Office junior minister, said Iraq had been told there could be no question of its assets in Britain being released while 45-year-old Ian Richter was in custody. But he added that "if Mr. Richter is released it will be possible to release a significant portion of those Iraqi assets provided they are used for humanitarian purposes such as the purchase of food and medicines." Asked if this could happen before United Nations economic sanctions were lifted, he said in an interview with Sky Television: "yes." Previously Britain has avoided any suggestion of a deal to secure the release of Mr. Richter, who was jailed for life five years ago on charges of bribery. Shirley Richter, who has been campaigning for the release of her husband, called on United Nations Secretary-General Javier Perez de Cuellar Sunday before he met with released hostage John McCarthy. She was accompanied by Mr. Hogg. "He (Mr. Perez de Cuellar) is hoping to speak to the Iraqi ambassador in Geneva to ask for the humanitarian release of my husband," Mrs. Richter said. Britain froze Iraq's assets shortly after the invasion of Kuwait Aug. 2, 1990. When an Iraqi minister first publicly suggested that the assets should be unfrozen, a Foreign Office spokesman said: "Mr. Richter should be released. Other matters can then be considered."

Iran working to free hostages

NICOSIA (R) — Iran said Monday it was using its influence in Lebanon for the release of all hostages — Western, Lebanese, Palestinian and Iranian.

Vice-President Hassan Ebrahim Habibi said Iran opposed all hostage-taking and would continue to use "what is interpreted as influence" for the release of all Western hostages in Lebanon, the Iranian News Agency IRNA reported.

"Some hostages have been released on the basis of negotiations held and the Foreign Ministry is active for the release of Iranian hostages," it quoted Mr. Habibi as telling reporters in Tehran. The report did not elaborate on the negotiations Mr. Habibi referred to.

Four Iranians, including Charge d'Affaires Mohsen Mousavi, were seized at a right-wing militia checkpoint in July 1982. Some security sources say they were killed in captivity.

U.S. President George Bush praised the Iranian government for helping in the release of American Edward Tracy Sunday. British Prime Minister John

Major also thanked Iran for its efforts in the release of Briton John McCarthy Thursday.

Both London and Washington have made clear the normalisation of ties with Iran depends on the release of the remaining Western hostages — five Americans, two Britons, two Germans and an Italian — held by pro-Iranian groups in Lebanon.

Tehran says it has ideological influence but no organisational control over the hostage-takers.

Iranian newspapers Monday urged the West to press for news of the fate of the missing Iranians and press Israel to free some 400 prisoners seized from Lebanon.

The daily Abar said Mr. Bush should back up his words of gratitude to Iran with action.

"Such expression of gratitude will not change anything if not followed by the release of Palestinian and Lebanese hostages and by disclosure of information on the fate of Iranians kidnapped by the Falangists," said Abar.

The English-language Kayhan International said: "While hopes are growing for a final solution to the hostage drama, (United Na-

tions Secretary-General Javier) Perez de Cuellar must do his best to secure the release of Iranian hostages..."

"At the end of the hostage drama, the fate of the first victims of the hostage crisis in Lebanon should not be forgotten."

Mr. Mousavi and the other missing Iranians — Revolutionary Guard commander Ahmad Motevasselian, IRNA photographer Kazem Akhavan and their driver Taqi Rastegar Moqaddam — went missing more than nine years ago.

The longest-held of the remaining Western hostages, American journalist Terry Anderson, has been missing for more than six years.

A letter from Islamic Jihad delivered to Mr. Perez de Cuellar by Mr. McCarthy said the pro-Iranian group would be prepared to free all detainees in the context of a global release of prisoners.

Kayhan International, calling Mr. Perez de Cuellar's involvement a turning point, said the releases of the past four days showed the kidnappers wanted to end the hostage crisis.

Israel to rebuff pressure for hostage gesture

By Marcus Eliason
The Associated Press

TEL AVIV — Israel looks determined to rebuff any pressure to free Arab prisoners as a gesture towards hastening the release of Western hostages in Lebanon. Nothing for nothing — that's the clear Israeli position.

On the one hand, it wants to be helpful to its Western friends. On the other, Israel owes it to its army and public to ensure that as part of any deal, it resolves the fate of its seven servicemen missing in Lebanon.

Therefore, it is offering to release all the 375 Lebanese in its prisons for the freedom of the Western hostages, but only on condition its seven men are included in the deal.

With the release of Briton John McCarthy Thursday, followed by American Edward Tracy Sunday, senior Israeli officials are at pains

to explain, as publicly as possible, why they can not yet offer any gestures.

Dan Naveh, the defence ministry spokesman, criticises those "parties and states that apparently forget — maybe want to forget — that the state of Israel has sons who have been in captivity... for a long time."

Some of them have been missing for more than nine years, he said, "and one cannot expect the government of Israel to express any readiness to release detainees in its custody before we receive this minimum, of some sort of information, or some sort of signs of life, concerning our soldiers."

Britain has pressed Israel for gestures. So have some Arab states. But what matters is that the Americans, Israel's chief ally, apparently have not, says Tel Aviv University's Ariel Merari.

"My guess is that some Amer-

ican officials are presumably saying to Israel unofficially, 'gee, wouldn't you consider a gesture? ... would you do it now for us? be nice boys.' But I don't think this amounts to any real pressure," he said.

Uri Lubrani, the defence ministry's official in charge of the hostage issue, says Israel has already made a gesture by getting its Lebanese militia allies to free 40 Shiite prisoners last year. It got nothing in return, he says.

Israel proposes that as a first step, the Red Cross should be allowed to verify which of its seven soldiers are alive, and what happened to the others. Then, it says, negotiations could begin.

If it gets solid information through the Red Cross, it likely would consider a gesture. But for now, it says, it has a duty to its soldiers and their families to stand firm.

A one-sided prisoner release "would be betraying our primary mission and our highest moral obligation," said Health Minister Ehud Olmert.

Using more evocative language in a U.S. T.V. interview, Defence Minister Moshe Arens said: "There was a time, many years ago, when a Jewish life was considered to be less important than the life of an Englishman or a Frenchman, but I think those days are behind us now."

Mr. Naveh said the government has to show it is making every effort to bring its soldiers.

"We're not talking about citizens who went to Lebanon at their own private initiative, sometimes against the position of their government. This is a case of Israeli soldiers who were sent there by our government," he told army radio.

JORDAN TIMES DAILY GUIDE AND CALENDAR

JORDAN TELEVISION

Tel: 773111-19

PROGRAMME TWO

18:00 Documentary
18:30 Science Cause
19:00 News in French
19:15 Aujourd'hui en Jordanie
19:30 News in Hebrew
20:00 News in Arabic
20:30 Perfect Strangers
20:55 Musicians in Jordan
21:10 Our House
21:40 News in English
22:20 Columbo

PRAYER TIMES

04:28 Fajr
05:53 Sunrise/Dhuha
12:02 Dhuhr
16:20 Asr
19:28 Maghrib
21:53 Isha

CHURCHES

St. Mary of Nazareth Church, Swellish Tel. 810740.
Assemblies of God Church, Tel. 63785, 68333.
St. Joseph Church Tel. 624590.
Church of the Annunciation Tel. 637440.

De la Salle Church Tel. 661757
Terrasanta Church Tel. 623566
Church of the Annunciation Tel. 623541.
Anglican Church Tel. 623383, Tel. 623543.

Armenian Catholic Church Tel. 771331.
Armenian Orthodox Church Tel. 772611.
St. Ephraim Church Tel. 771251.
Armenian International Church Tel. 685326.

Evangelical Lutheran Church Tel. 811295.
The Church of Jesus Christ of Latter-day Saints Tel. 823624, 654932.
Church of the Nazarene Tel. 675691

WEATHER

Bulletin supplied by the Department of Meteorology.

Another rise in temperatures will take place and winds will be southerly moderate. In Agaba, winds will be northerly moderate and seas calm.

Min./max. temp.
Amman 20 / 35
Agaba 25 / 39
Deserts 22 / 37
Jordan Valley 27 / 39

USEFUL TELEPHONE NUMBERS

NIGHT DUTY

AMMAN:
Dr. Khalil Al Sabahi 740740
Dr. Yousef Rashid 896301
Dr. Hisham Kanaan 790286
Dr. Munir Qasbi 898101
First pharmacy 661912
Ferdous pharmacy 782336
Al Asena pharmacy 637055
Nairookh pharmacy 623672
Al Salam pharmacy 636730
Yacoub pharmacy 644943
Shamsi pharmacy 637660

BRIDGES:
Dr. Ahmad Abu Baker (—)
Al Shamsa pharmacy (278225)

ZARQA:
Dr. Hisham Sharabati (—)
Khalil pharmacy 985417.

YESTERDAY'S HIGH TEMPERATURES:

Amman 32, Agaba 38 Humidity readings:
Amman 32 per cent, Agaba 32 per cent.

EMERGENCIES

Food Control Centre 637111
Civil Defence Department 661111
Civil Defence (immediate) 630341
Fire Brigade 891228
Blood Bank 775121
Highway Police 843402
Traffic Police 896300
Public Security Department 630321
Hotel Complaints 605800
Price Complaints 661176
Water and Sewerage 66512757
Complaints 897467
Amman Municipality 787111
Complaints 897467
Telephone Information (directory assistance) 121
Overseas Calls 010230
Central Amman Telephone Repairs 623101
Abdali Telephone Repairs 601101
Jordan Television

HOME NEWS IN BRIEF

King condoles Al Kassam family

AMMAN (Petra) — His Majesty King Hussein Monday delegated Amman Governor to convey his condolences to Al Kassam family over the death of Mohammad Izzeddine Al Kassam.

King receives congratulatory cables

AMMAN (Petra) — His Majesty King Hussein Monday received more cables of congratulations on the occasion of his accession to the throne from several Arab leaders who wished the King continued good health and happiness and the Jordanian people further progress and prosperity. The cables were sent by Iraqi President Saddam Hussein, Yemeni President Ali Abdullah Saleh, Tunisian President Zine El Abidine Ben Ali and Palestine National Council Speaker Abdul Hamid Al Saeb.

Masri encourages preparation of laws

AMMAN (Petra) — Prime Minister Taher Masri issued Monday two official communiqués in which he affirmed the need for ministries and public departments and institutions to abide by regulations pertaining to preparing the General Budget Draft Law for the year 1992 and the Manning Table Draft Law for the same year.

Status of Jerusalem discussed

AMMAN (Petra) — Minister of Awqaf and Islamic Affairs Raef Najm received in his office Monday the British ambassador in Amman, Patrick Evers. The two exchanged views on the future of occupied Jerusalem.

House speaker meets ambassador

AMMAN (Petra) — Lower House of Parliament Speaker Abdul Latif Arabiyat received Monday Spanish ambassador to Jordan Ramon Armengod on the occasion of the end of his tour of duty in Jordan. Dr. Arabiyat and Mr. Armengod discussed bilateral relations and ways of enhancing cooperation between the two countries.

World Bank team visits NHF

AMMAN (Petra) — A technical team from the World Bank, currently on a visit to the Kingdom, Monday visited the Noor Al Hussein Foundation (NHF). The delegation examined productive projects carried out by the NHF and was briefed on its future plans, particularly in the field of handicrafts projects and marketing products in European and North American countries. The delegation also visited NHF's Design and Marketing Centre where it was briefed on its products and objectives. The delegation is conducting a technical study on the Jordanian industrial products exporting capabilities.

Kuwait departs more people

AMMAN (Petra) — The Kuwaiti authorities last Saturday deported to the Iraqi border 194 people, according to a report by the representative of the Red Cross and Red Crescent League in Baghdad. The report, which was sent to the Jordan National Red Crescent Society, President Ahmad Abu Qoura, said that the deportees included 19 Jordanians and 45 members of their families, 12 Iraqis and 23 members of their families as well as 23 deportees identified as bedouin (Arabs without any nationality) with 83 members of their families.

Jordanian, Omani officials discuss ties

AMMAN (Petra) — Minister of Justice Tayseer Kanaan received Monday the Omani ambassador to Jordan Sultan Al Busaid. Mr. Kanaan and Mr. Busaid discussed ways of promoting and bolstering relations between the two countries.

Investment law approved by House

AMMAN (Petra) — The Upper House of Parliament's joint Legal and Financial Committee approved in a meeting held Monday under the chairmanship of House Speaker Ahmad Al Lawzi the Jordanian Investment Cooperation Temporary Law. The committee passed the law as it was referred to it by the Lower House of Parliament.

UAE pays dues to organisation

AMMAN (Petra) — The government of the United Arab Emirates has paid its contribution for the Council of Arab Economic Unity (CAEU) for the current year, according to an announcement by the CAEU general secretariat. The CAEU's secretary general expressed his appreciation of the UAE's initiative and lauded its stands in supporting the council.

Temporary laws to be discussed

AMMAN (Petra) — The Lower House of Parliament will hold a meeting Wednesday under the chairmanship of Speaker Abdul Latif Arabiyat and in the presence of Prime Minister Taher Masri and the cabinet members. The meeting will discuss a memorandum by the speaker of the Upper House of Parliament dealing with the Jordanian Banks Temporary Law No. 5 for 1973, an amendment to the Central Bank of Jordan Law and several other laws.

Syrian, Jordanian chambers meet

AMMAN (J.T.) — A delegation representing the Damascus Chamber of Industry, currently visiting Jordan Monday called at the Amman Chamber of Industry and met with the board of directors chairman and its members. The meeting discussed ways of enhancing economic cooperation between Jordan and Syria and the prospect of increasing the volume of trade exchange. Another delegation representing the Syrian Chambers of Commerce also visited the Amman Chamber of Industry. Both delegations are in Amman to attend the opening ceremony of a Jordanian-Industrial Fair at an invitation from the Amman Chamber of Industry.

Training course opened

AMMAN (Petra) — A training course for personnel to be involved in the development of the Al Basa village project within the Amman Governorate was opened Monday. The project is being implemented by the Noor Al Hussein Foundation (NHF) in cooperation with the World Health Organisation (WHO) and the Ministry of Health. A total of 20 participants from the ministries of Agriculture, Health, Education, Public Works, Social Development, Interior, Municipal and Rural Affairs and the Environment are taking part in the course. The organisers say that the participants will be oriented on methods, techniques and skills required for the implementation of this project.

Art exhibition opens

AMMAN (Petra) — On the occasion of His Majesty King Hussein's accession to the throne anniversary, University of Jordan President Mahmoud Al Samra opened Sunday at the Royal Cultural Centre an art exhibition by Hassan Al Shishani. The five-day exhibition displays paintings depicting national, social, cultural and traditional issues among other things.

Student's visit air college

AMMAN (Petra) — Students taking part in the 11th Arab Children's Congress Monday visited King Hussein Air College where they were received by the commander of the college and several of its officers. The students were briefed on the establishment of the college as well as its development and duties.

Jordan gets \$500,000 grant for promotion of small businesses

AMMAN (J.T.) — The United States Agency for International Development (USAID) Monday signed an agreement with the Ministry of Planning and the Near East Foundation (NEF) to provide the Kingdom with a \$500,000 grant for the promotion of small businesses, according to a statement.

Funding has also been provided by the NEF. The grant will be used to establish the small business promotion programme by the NEF and its associate agencies. The purpose of the three-year programme is to help Jordanian agencies in the public and private sectors to develop small businesses and to train Jordanian entrepreneurs, according to the statement.

Specifically, the programme will develop local expertise to promote the creation and expansion of income-generating activities for small business clients.

Various agencies will benefit from the establishment of the programme, including government ministries, professional and social organisations, chambers of commerce and industry, vocational schools and other organisations which promote the development of income-generating activities, according to the statement.

The NEF and its associate agencies will develop a variety of seminars and promotional programmes throughout the country. The programmes will be targeted at individuals and agencies which are interested in learning more about small business development, according to the statement. Training activities will include classroom training and/or short courses for promoters of basic business skills and income-

generating activities. For example, participants will be trained to provide technical assistance, how to develop communication skills and how to help small businesses obtain access to financing.

In addition, the programme will provide the following services for entrepreneurs: networking among individuals and agencies working in the field, and between these agencies and their target groups; training courses for promoters; local and regional business research programmes; and the establishment of a resource centre for the promotion and documentation of income-generating activities in Jordan.

The centre will make information and services available to a large cross section of agencies, organisations, businesses and entrepreneurs according to the statement.

Germany to help Jordan boost its industrial export capabilities

AMMAN (Petra) — Germany and Jordan Monday signed two memoranda on technical cooperation designed to boost the Kingdom's industrial export capabilities and upgrade the Ministry of Industry's performance to help achieve that goal.

The first memorandum for the implementation of a programme for the development of the ministry's Standards and Specifications Department, so that it could improve the quality of locally produced industrial goods enabling Jordan to compete in foreign markets and also to enable the country to control the quality of imported commodities.

Under this memorandum, the German government will dispatch experts to offer their assistance to the department and provide the ministry with computers and laboratory equipment and train local personnel to take over from the experts once the training is completed.

Under the second memorandum, Germany will set up a laboratory to control pesticides in cooperation with the Ministry of Agriculture. Germany will also provide equipment to analyse waste caused by the use of pesticides and will advise on techniques in the use of pesticides.

The two memoranda were signed by Minister of Planning Ziyad Fariz and German Ambassador to Jordan Heinrich Reiners.

Ministry of Agriculture to address dairy farmers' marketing problems

AMMAN (Petra) — Agriculture Ministry Secretary General Sami Sunna'a Sunday said there have always been problems in the marketing of fresh milk.

Dr. Sunna'a was apparently referring to complaints by cow breeders that they were unable to market their fresh milk.

In an interview with the Jordanian News Agency, Petra, Dr. Sunna'a stressed the importance of forging closer cooperation and coordination among all the parties concerned to reach a permanent solution to this problem.

Dr. Sunna'a said a decision was taken at the beginning of this year banning the use of any portion of dried milk in dairy products. He added that dairy product factories and companies, as well as the cow breeders societies, were semi-unanimous on sending all fresh milk to dairy products factories.

He said that while the ministry was receiving complaints from cow breeders about their inability

to market their fresh milk in the local market and the availability of milk surpluses, it has received requests from others to import cows, who cite the shortage of milk to cover the public's demand as a reason for their requests.

He referred to excesses by the dairy products companies of an agreement already concluded with them in which they committed themselves to stop using any powder milk in the production of dairy products.

Dr. Sunna'a pointed out that a technical committee, set up especially to address the cow breeders' problem, met Thursday and came up with a number of recommendations designed to find solutions to the marketing problem and to prevent its recurrence.

The recommendations called on factories to adhere to the Ministry of Supply's decision banning the use of powder milk in their dairy products. The decision

also makes it binding on all ice-cream and fresh milk factories to use 100 per cent fresh milk in their products and to allow cooperative societies to set up centres for selling chilled milk throughout the Kingdom.

The committee also recommended that the Ministry of Supply gradually reduce the quantities of imported dry milk, taking into consideration the country's production of fresh milk. The committee also recommended that a specialised committee be formed to prepare a general policy on marketing fresh milk and importing cows and sheep.

The technical committee groups representatives from the Ministries of Supply, Trade and Industry, Agriculture. Also included are representatives from the Jordan Cooperative Society, the Agricultural Credit Corporation and cooperative societies.

Official calls for establishment of consultancy committee to solve problems being faced by public

AQABA (Petra) — Deputy Prime Minister and Transport Minister Ali Al Suheimat Monday called on public and private organisations in Aqaba to set up a consultancy committee which would take charge of various problems facing the public and propose solutions to them.

During a tour of the southern regions of Jordan, he called on administrative governors and the central administrations in Amman to cooperate in shouldering responsibilities and solving problems.

Mr. Suheimat, who was accompanied on the tour by Minister of Tourism Abdul Karim Al Kabarti and Minister of Public Works and Housing Saad Hayel Surour, affirmed that the government is serious in its endeavours to tackle problems facing the public according to its capabilities. The government, he said, is doing its best to solve the problem of unemployment through encouraging the launching of small vocational projects.

Mr. Suheimat was briefed during his tour on the citizens demands and needs represented in improving telecommunications and health services, holding a housing estate and improving roads.

In their tour, the ministers inspected the work process at Aqaba Railroad Corporation where they were briefed by its director general on its achievements and the problems facing it.

The ministers also inspected the work process at the road extending between the Wadi Al Yatam area and the southern parts of Aqaba port.

Jordan, Oman and Syria discuss expansion of economic ties

AMMAN (J.T.) — The Ministry of Trade, Industry and Supply's secretary general, Ibrahim Badran, Monday called for further strengthening of economic and trade ties between Jordan and the other Arab countries and stressed the need for launching joint Arab economic projects to bolster the area's economy.

Speaking at a meeting with visiting delegations representing the chambers of industry in Damascus and Muscat, Dr. Badran reviewed Jordan's economic and trade links with Syria and Oman and the role of the private sector in bolstering such cooperation.

He outlined to the visitors who

had come to inspect the Second National Industrial Fair at Marj Al Hammam the role of the ministry in corroborating trade links with Arab and foreign countries.

Dr. Badran said that the ministry offers facilities and other services to Jordanian merchants and industrialists to help them develop their production and market Jordanian goods abroad.

He said special incentives are offered by the government to foreign and Arab investors in industrial projects in the Kingdom.

The two delegations and Dr. Badran exchanged views about

means of bolstering inter-Arab cooperation in economic, industrial and trade affairs and in matters related to Arab industry in general.

The two delegations were earlier welcomed by Minister of Trade, Industry and Supply Ali Abul Ragheb. The minister commended the existing economic ties between Jordan, Oman and Syria.

The two delegations were invited to attend the opening of the Second National Industrial Fair, which displays products by 138 Jordanian industrial firms. The fair will last until Aug. 25.

Central Bank of Jordan soliciting offers for sale of BCCI's branches

AMMAN (J.T.) — Officials of the Central Bank of Jordan (CBJ) Monday expressed hope that local Jordanian banks interested in buying the branches in the Kingdom of the Bank of Credit and Commerce International (BCCI) would soon submit offers so that the transaction can be conducted as soon as possible.

It is hoped that the offers will be promptly submitted and the selling transaction completed in the first week of the coming month, according to the CBJ statement as quoted by the Jordan News Agency, Petra.

The statement said that in the course of conducting procedures to settle the BCCI issue in Jordan, the CBJ convened a meeting last Saturday for Jordanian banks interested in buying the BCCI branches.

Chairmen of the boards and directors of the banks interested

in the branches attended the meeting, during which they were briefed in detail by the auditors on the BCCI's financial status in Jordan, the branches' liquidity and assets, according to the statement.

A decision was taken at the meeting that interested banks should study the auditors report and gather at another meeting on Aug. 25 to present their offers for the purchase of the BCCI's branches in Jordan.

Earlier this month, it was reported that at least seven Jordanian banks had expressed interest in buying the BCCI's three branches in Jordan and approached the CBJ in this regard. The CBJ's desire to sell the three branches came in a reaffirmation of the government's decision not to order a liquidation of the BCCI operation in Jordan but to sell the

branches to interested local banks.

The statement Monday said it was hoped that the offers will soon be submitted so that the three branches will resume normal operations under the new owners.

The BCCI, founded in Pakistan in 1972 with operations in more than 70 countries, was alleged to have been tied to drug barons, terrorists, arms dealers and intelligence agencies and to have robbed depositors of billions of dollars.

Last month, the BCCI was indicted in the United States on criminal charges for running what was called the largest bank fraud operation in world financial history and was slapped with a record \$200 million fine by the Federal Reserve for violating U.S. banking laws.

Medical experts offer advice on solving Kingdom's doctor retention problem

By Elia Nasrallah
Jordan Times Staff Reporter

AMMAN — Jordan Medical Association (JMA) President Ishaq Maraqa and former Health Minister Zuheir Malhas have voiced their dissatisfaction with the status of government employed doctors and urged the government to improve their living and work conditions in a bid to improve health services at Ministry of Health hospitals and health centres.

Interviewed on Jordan Television, they both said that doctors and specialists employed by the Health Ministry are overburdened with work and underpaid. They have no incentives to promote their performance, which would reflect positively on the members of the public and the general health services in the Kingdom, they said.

According to Dr. Maraqa, government employed specialists' salaries can only reach JD 300 when specialists working in the private sector can earn a far higher income for much less work.

In the mid-1960s, the Health Ministry asked specialists to close their own private clinics in return for a good allowance which they would receive if they dedicated their time for work in government hospitals and health centres. This allowance, however, was removed in 1988, causing specialists to become discouraged

and prompted many of them to find employment elsewhere with a big loss for the public health services, Dr. Maraqa said.

Not only do doctors at government hospitals receive less pay than those in the Armed Forces or other hospitals, but they also lack modern equipment with which they can efficiently carry out their work, Dr. Maraqa said.

He said with a JD 37 million annual budget, the Health Ministry cannot provide sufficient and proper services to the public and the government ought to increase the budget to help the ministry purchase the required modern equipment and substantially raise the salaries of the hospitals' staff. According to Dr. Maraqa, each doctor in one of the major government hospitals in the Kingdom offers examination and treatment to up to 200 patients per week. For this heavy work these doctors deserve better pay, he said.

Once the doctors are satisfied with their income, they would no doubt offer a better service, Dr. Maraqa said.

Dr. Malhas supported Dr. Maraqa's views and said that the Health Ministry's services could be boosted and improved tremendously if proper government decisions are taken in this regard.

Dr. Malhas turned his attention to the problem of unemployment among Jordanian doctors and made several proposals to deal with this chronic problem.

One way for dealing with the unemployment question is to control the number of students studying medicine here and abroad, he said. The Ministry of Education should cooperate with the Health Ministry and the JMA in this matter, Dr. Malhas said.

He said students with grades averaging less than 85 per cent in the tawjihi examinations should not be allowed to study medicine. He added that the Kingdom at present has 9,000 registered doctors with the JMA but 3,000 live abroad.

Dr. Malhas said that new doctors can be appointed in various regions and the health services can be distributed in a fairer manner so that all areas can benefit equally. Dr. Malhas said that doctors in general should be offered financial incentives like those employees of the income tax and customs departments so that the skilled doctors can be persuaded to stay at their posts.

Dr. Maraqa supported this view and said that the Ministry of Education has a responsibility to give advice to the tawjihi students about the needs of the labour market so as to help the students to choose a career.

Both Dr. Maraqa and Dr. Malhas supported the idea of establishing a medical services institution where doctors with vast experience can sponsor the training of new doctors so that lessons learned can be passed from one generation to another.

Indonesian foreign minister concludes Jordan visit

RAMTHA (J.T.) — Indonesian Foreign Minister Ali Alatas Monday wound up a four-day visit to Jordan and left for Syria in the course of his current tour of Arab countries.

During the visit, Mr. Alatas had met with His Majesty King Hussein and His Royal Highness Crown Prince Hassan to discuss bilateral relations and regional and international issues. He also met with Prime Minister Taher

Masri and other government ministers to discuss trade and economic cooperation between Jordan and Indonesia as well as current efforts to establish peace in the Middle East.

In a statement to the Jordan News Agency, Petra, Mr. Alatas said his country was ready to increase its purchases of Jordanian phosphate and potash as well as industrial products. Indonesia buys three quarters of its

phosphate needs from Jordan and seeks to offer more facilities for Jordanian industrial products to be marketed in Indonesia.

A team from the Jordan Phosphate Mines Company will go to Jakarta in the second half of this month for talks on promoting trade ties. Upon his departure via the Ramtha border post, the Indonesian minister and his accompanying delegation were seen off by local officials.

Vocational Training Corporation to try to graduate 14,000 people in 1991

AMMAN (J.T.) — The government has asked that the Labour Ministry's Vocational Training Corporation (VTC) increase the number of students under training at its centres by 40 per cent in order to train 14,000 people this year, according to VTC Director General Ahmad Atwan.

The VTC has gone a long way towards achieving this goal, said Dr. Atwan in an address at the graduation of 28 trainees at a local factory.

The graduates, all job seekers, had undergone a training course in tiling and cement casts used in construction operations.

According to Dr. Atwan, the VTC centres last year gave short term training courses to 23,000 apprentices and one year training courses to 4,000 others.

Only 2.5 per cent of the 48,000 job seekers who had sent applications to the Civil Service Commission (CSC) have been given jobs with the government, he said.

Dr. Atwan urged all job seekers to join the VTC training

courses, especially in areas much demanded in the labour market such as tailoring, bakery work, construction, tiling, hotel work, hair dressing and the textile and leather tanning industries.

The graduates, he said, had received three months of training in construction work, tiling and cement casting for building operations.

In Azraq, it was announced

WHAT'S GOING ON

EXHIBITION

- ★ Exhibition of traditional embroideries and hand-made items at the Jordan Intercontinental Hotel.
- ★ Exhibition of paintings by Rihab Al Nammary at the Royal Cultural Centre.
- ★ Art exhibition by Hassan Al Shishani at the Royal Cultural Centre.

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Answer is real debate

PEACE TALKS between the Arabs and the Israelis are planned to start in October. The final obstacle to starting the negotiations, Palestinian representation, is most probably going to be resolved before that time. The Arab side is determined and willing to negotiate a solution that would lead to just, lasting and honourable peace. Appearing on television last week, His Majesty King Hussein detailed his vision of the peace that he and Jordanians yearn for: A peace that would allow the peoples of the region to cooperate instead of fight. This would free this part of the world from wars, weapons of mass-destruction, famine, poverty, ignorance and disease.

The King went as far as addressing 10-year-old Semites, Arabs and Jews, instilling his vision into their hearts and minds and urging them to look ahead to the future and heal the wounds. Being the head of government in Jordan, one assumes that what the King said and advocated is what he wants his government to espouse and endeavour to achieve. However, until last night when television aired a good interview with the prime minister, neither the government nor the government-owned media seemed inclined or capable of reflecting the King's vision on this crucial issue at this important point in our history. While government prudence in tackling the issue is understandable, even justified, the media's handling of the matter has been somewhat puzzling.

We understand that the government, as a whole or as individuals, is playing politics, both on the domestic and regional levels. But what is not so clear is the official media's absence from the conference hall. Apart from a stream of articles bemoaning Arab losses and defeats and blaming them on Israel and the West, coverage and analysis of Jordanian views and trends have also been absent from the media work as a whole.

We are not telling people what to do. But we insist that there is something wrong with not debating the issue of peace more extensively and objectively. His Majesty's vision for Jordan and the whole area is certainly larger than the anticipation that peace talks will fail and that is the end of that. And there is certainly more to the peace process than meets in the eye in the way of refraining from speech and debate or using worn-out slogans and old clichés.

With this in mind, one has to ask whether the role of our media in discussing the issue of peace has been played objectively and comprehensively so far. And if not, why not?

Naturally, there is no easy answer for questions like these. But at least an attempt should be made to look into what we are doing — government, media, intellectuals, the public, and so on — while we are on the brink of momentous and historic change. It would not do to say the Israelis do not want peace and based on their obstinacy the planned peace conference will simply come and go without results. It would be infinitely more useful for all to open a real and honest debate.

ARABIC PRESS COMMENTARIES

WE follow with great joy and delight the continued international effort to secure the release of foreign hostages held in Lebanon regardless of their nationality, said Al Ra'i Arabic daily. The hostages are all human beings who should not be held against their will or deprived of their basic human rights, the paper stressed. The current efforts for the foreigners release come amidst reports that the U.S. and Western nations are maintaining the embargo on the Iraqi people, depriving them of their basic living necessities, and imposing hegemony on people of the Middle East, the paper noted. The hostages in Lebanon have drawn the attention of the U.N. secretary general and involved many heads of nations in serious effort to ensure their release, as a time when the Arab and Islamic worlds lack the will to make a concerted move to ensure the release of 18 million Iraqi hostages deprived of their basic rights and exposed to all forms of diseases and famine, the paper added. The Western nations, which stress on the human rights as human are intent on starving them through this embargo, the paper said. We hope, said the paper, that the heads of Western nations will succeed in securing the release of the foreign hostages held in Lebanon, but we also hope that they will turn their attention towards the Iraqi people and the innocent civilians who are facing repression under the so-called new world order.

Al Dustour daily referred to the presence in Jordan of a U.S. team charged with drafting written assurances and guarantees on the form and purpose of the Arab-Israeli peace talks and reaffirmed the Kingdom's stand. There is no doubt that Jordan is totally committed to the international legitimacy with all that it entails with regard to the implementation of U.N. resolution on the Arab-Israeli conflict and the Palestinian problem, noted the paper. Jordan demands that Security Council Resolution 242 be implemented in letter and spirit because it believes in non-admissibility of occupying territory by force, the paper said. Jordan also believes that since Arab Jerusalem was occupied in the 1967 Arab-Israeli war, it should be covered by the U.N. resolutions and should be liberated from Israeli occupation, the paper stressed. It said that since the implementation of U.N. resolutions concerning Palestine, the Palestinian people, including that of Arab Jerusalem, should participate in any peace negotiations. The paper said that through the memorandum of understanding with the U.S., Jordan sought no more than the implementation of U.N. resolutions which help reestablish peace and justice in the region.

Israel should talk land for peace

By Michal Yudehman

AVRAHAM ("Abrasha") Tamir, a retired general and a director-general of the Foreign Ministry when Shimon Peres was minister, has been a close colleague of Labour dove Ezer Weizman. In his view, regional problems linked to the decades-old Israel-Arab conflict can only be discussed at a peace conference.

And here he modifies the terminology used by the government relating to the American-sponsored protected October talks: "First of all, it's not a regional conference but an international one. (Our ministers and politicians) should stop playing around with names."

It's an international conference, he explains, because it has different nations participating in it: two superpowers, representatives of Europe and a silent U.N. observer. From the time of the 1973 Geneva Conference, "which has not yet been cancelled," he points out, "I have been in favour of an international conference, because how can you form a framework of comprehensive peace without one?"

"Previously, the U.S. didn't

want the Soviet Union in the process towards comprehensive peace. But when you look at the process now — and I speak as one who fulfilled a central role in it (the separation-of-forces agreement with Egypt) — you see that there are matters pertaining to all the states in the region, such as demilitarisation, disarmament, reducing the production of unconventional arms, joint water and economic projects. Where can you discuss these issues if not in an international conference?"

He continues: "Then you have bilateral committees: Israel-Jordan-Palestinians, Israel-Syria, etc., to discuss these issues. You need the framework of an international conference to discuss the regional problems and the problems with Syria. And that's what's going to happen."

"They're arguing whether the conference should be reconvened after the opening session. Obviously, 10 days after the opening there will have to be a committee to discuss the regional agreements, and these will involve the Maghreb, the Gulf states, Egypt, Syria, Jordan, the Palestinians, the U.S. and the

Soviet Union. And perhaps Japan, too, because a lot of money will be required."

"As for the Golan Heights, the territorial issue will be the first to be put on the negotiating table. The Syrians will demand a territorial interim agreement. If anyone thinks they'll make any non-territorial agreement with us — some kind of functional agreement, perhaps autonomy for 15,000 Druse? — he is very wrong."

"In my opinion, an agreement with Syria will also take care of Lebanon. Already in 1974-1977, when Kissinger was going around here with interim agreements in his pocket, there was a separation-of-forces agreement with Syria, and in 1975 there was a similar arrangement with Egypt. We prepared all kinds of plans for additional interim territorial agreements."

"Our starting point today," Mr. Tamir continues, "should be that there is no reason to panic over returning territories on the Golan Heights. It all depends on the security arrangements which will replace those territories. Peace with security arrangements is more conducive to security than war with battle lines."

"The Golan is essential to our security, as the chief of staff said, but under the title we can conquer the entire Middle East. It is equally essential to our security that missiles don't fall on us — so are we going to conquer all the territories on which there are missiles and launchers? It's time to see that peace and security can exist without being conditional on sitting on occupied land."

"Let our politicians stop blabbing nonsense; every issue has a 'security answer.' Our point of departure should be borders of peace, rather than the frontiers of war."

"When we talk of territorial compromise in the Golan, we must distinguish between leaving some of the Golan and holding all of it. The whole essence of compromise is that we're not leaving the Golan, but not keeping all of it, either."

"I'm not at all impressed by all the announcements that we're better off with the Golan and without peace, than giving up the Golan for peace. We heard that chant on Sharm-el-Sheikh as well. Usually the heroes who make these declarations are the very ones who then give up territories, so they'd better shut up."

Mr. Tamir's thesis on conceding territories is that "We could have had peace already five or 10 years ago. Before the 1967 war, we waited for the Arabs to make peace with us on the borders of '67, with certain adjustments. If there was a war, we planned to take enemy land and hold it as a bargaining card, to be given back in exchange for peace. This was before the huge territorial appetite of the hypocritical politicians was aroused."

"The reason peace talks have been held up all these years is that we insisted on American intervention, not on direct negotiations as our politicians are saying now. Five years ago, we could have had direct negotiations; it depends only on us. And we could have direct negotiations today, too, had we not preferred the Americans as mediators."

"Nobody forced us to do that. We could have had peace talks in Cairo, Amman or Jerusalem, directly with the Arabs, as the process with Egypt began with direct talks in Ismailia."

"But when you sit on territories, people's appetites begin to grow, especially the appetite of those with memories from 2,000 years ago. But even then the

borders were not those mentioned in the Bible. These are radical ultra-Orthodox sentiments covered with a security wrapping."

"The recent developments, including the decline of communism and the cooperation of the superpowers to solve the dispute in the region, have made it possible to achieve peace with the Arab World and to realise the Zionist goal of peace in the area. In order to do that, we must implement Resolution 242 and solve the Palestinians' problems. It's that simple and everyone knows it, but they're scared of saying so for reasons of internal politics."

"In the end internal politics will have to give in to history. We really could do without all these declarations of not giving up land."

"Israel can get along just fine with security borders and peace, and Israelis could travel to Riyadh and Damascus and construct a sort of community in the region. What we don't need is the kind of security we have now — with wars and casualties and dead people..." — The Jerusalem Post.



How long will Arabs' apathy persist?

By David Hirst

SOME Arabs were jubilant when President Saddam Hussein went into Kuwait. But even among those prepared to recognise it for what it was — the most spectacular violation of international law and Arab brotherhood — there was a quiet satisfaction and relief. Apart from the decades-long, stage-by-stage Zionist takeover of Palestine, this was surely the greatest single blow to Middle Eastern order since the collapse of the Ottoman Empire; and on one thing all thinking Arabs, victims or applauders of the invasion, were agreed: it was a truly rotten order, sunk in despotism, corruption, endless dissension.

When the West sent its armies to the Gulf, President Saddam was able to present himself to an Arab people obsessed with its own long history of humiliation at the hands of foreigners, as the new Saladin and potential liberator of Palestine, champion of the poor and downtrodden in a region of immense disparities of wealth. It was the most brazen demagoguery because he himself was surely the supreme embodiment of that rotten order. But even for those Arabs who acknowledged this, if he was to be the instrument of breaking the mould, so be it. Anything seemed better than the hopeless, sterile immobility in which Arabs everywhere were trapped.

The remarkable thing, a year on, is just how little has changed. Kuwait has been "liberated," the status quo ante restored. In other words, the foreigner has solemnly and bloodily reconsecrated one of the more artificial, of those artificial, colonialist created frontiers which have long rankled in Arabs' minds as the original great constraint on their national aspirations.

All the characteristic ailments that precipitated the invasion remain; indeed, on just about every score the existing order is even more rotten than ever.

Quite the most astonishing element of this is the survival of President Saddam himself. The would-be Saladin has brought his own country directly — and the rest of the Arab World more

subtly — under a far greater degree of foreign domination than it suffered since the achievement of formal independence after World War II.

Iraq labours under crippling U.N. sanctions, with international supervision of its internal affairs and Western armies poised to intervene anew at any time. The champion of the ordinary man has visited immense suffering on his own people: first by provoking the Western armies into a massively disproportionate assault on those parts of his army least deserving of it, mainly wretched Shi'ite conscripts, and the needless destruction of civilian infrastructure; then by turning the still largely intact Republican Guards against the Shiites and Kurds who rose in spectacular but ill-planned rebellion.

The uprisings very nearly did bring President Saddam down. But in the end he was sustained by those factors which enabled him to invade Kuwait in the first place: his absolute despotism, and a loyalist apparatus whose fate is now more than ever bound up with his. By and large the Shiites continue to insist on nothing less than root-and-branch removal of him and his regime; but for the time being at least, they are unable seriously to renew the struggle. The Kurds, who have been ready to treat with him, are pressing for genuine autonomy for themselves and democracy for Iraq as a whole; yet they must know that whatever such a tyrant may concede in times of weakness he will renege on as soon as he recovers his strength.

The more blood and suffering, the more shattering will be the impact of President Saddam's eventual downfall on an order that half the Arab regimes helped their Western allies so superficially to patch up. And fall he surely must. But in the meantime he, and he alone, stands in the way of reconstruction of his devastated country, let alone all those higher aspirations, Arab as well as Iraqi.

There has been no progress towards these goals except in Jordan and Yemen where, with their democratic experiments, progress was in any case under way before the cataclysm.

Not the least irony of Desert

Storm is that Kuwait, the country which it "liberated," actually used to be a relatively benign, intelligently governed little place. There had indeed been back-slidings, but in the shock of exile during the Gulf war, the ruling House of Sabah had entered into a new compact with the commoners: the post-war Kuwaiti order was to be founded on true respect for the constitution. No sooner had they returned, however, than the princes began to renege on that pledge in a way that probably now poses a greater long-term danger to independent Kuwaiti statehood than President Saddam himself.

Similarly, a stunned House of Saud felt the need to woo that huge class of commoners on which it had lavished education and material wellbeing but previous little participation in Saudi Arabia's process of government; King Fahd suddenly revived an old promise: formation of a consultative council. But little has been heard of it since.

It was partly at Saudi insistence that President Bush "betrayed" the Iraqi people whom he had earlier encouraged to rebel; the House of Saud wanted to get rid of the monster like everyone else, but it also wanted to replace him with an army officer who would keep the country in safe, Sunni Muslim hands; those with an equal aversion to the free play of political forces inside so important an Arab state.

If President Saddam wants to throw off the foreign domination he has brought upon himself, the Gulf Arabs to whom he administered such a scare seem now almost to covet it, and none more so than Kuwait itself, which in old days so irritated its powerful Saudi neighbour with pioneering efforts towards "non-alignment" and the espousal of pan-Arab attitudes.

No sooner had the "brotherly" Arab armies done their not entirely symbolic bit alongside the "friendly" Western armies that the Kuwaitis began to intimate that they had much less interest in a strictly Arab "security system," with Egypt and Syria as its backbone, than in a Western one.

The so-called Damascus Dec-

laration which was supposed to set one up, is dying an even quicker death than such inter-Arab agreements had been so apt to do. As for the fair distribution of the region's oil wells, the Gulf Arabs began by making lavish handouts to their Arab coalition partners; but hardly was the "liberation" complete before Egypt began to complain that it was not getting the "reconstruction" contracts to which it felt entitled; and although migrant Egyptian workers have earned special favour in the Gulf at the expense of openly persecuted Palestinians, Yemenis and Sudanese, the war has in general deepened, not reduced, the psychological divide between the oil-rich Arabs "haves" and "have-nots."

All these worsening maladies would be greatly alleviated, however, if the increased foreign domination were to be instrumental in curing that one great cancer of the existing order: the Palestine problem.

It is fair to say that the West did promise Gulf-Palestine "linkage" by any other name; and quite suddenly, one year on, Palestine has indeed become the one area in which there is real movement, and some hope.

But it has been achieved at the price of unprecedented Arab concessions — historical self-abasement no less — with the most crucial and symbolic of them made by that other great Ba'athist "revolutionary," President Assad of Syria. What the Arab rulers are preparing to do, a Palestinian newspaper opines, could make the assassinated Anwar Sadat look like "the soul of Arab patriotism."

There was always something profoundly paradoxical about the most rotten ruler in a rotten system becoming, however inadvertently, the agent of its destruction. President Saddam, in all his madness and megalomania, did not bring that about.

How much more humiliation, therefore, can the Arab peoples take, particularly the Palestinians, before they rise up like the Shiites and the Kurds and do it — deliberately, violently, chaotically, and region-wide — in his stead? — The Guardian.

The quiet revolutionary

By Akbar S. Ahmed

THE CENTRAL issue facing Muslims in the world today is what to do with the part that is non-Muslim. It will dominate their political agenda in the 1990s. Two opposed arguments meet head on. One rejects the modern world as dominated by the West, as corrupt and evil; the other wishes to live with it while retaining its own sense of identity. If the media are to be believed, the former is on the ascendant. For the latter one of the most interesting and important voices to emerge recently is that of the Aga Khan.

Here is irony. For the Aga Khan is the head, the hereditary Imam, of the Ismailis, one of the most close-knit and traditional Muslim sects. More irony, as this soft-spoken unassuming, even shy, person is bringing about a quiet but far-reaching economic and social revolution in the lives of his followers. Final irony: his work now brings together Ismailis and non-Ismailis as never before in history and thus provides a lead to mainstream Muslims, too many of whom considered the sect unorthodox.

In the West the name Aga Khan is synonymous with fabulous riches, exotic, Oriental mystery. What seldom comes to light is the serious work performed in the last decade by the present holder of the title to relate Islamic ideas to contemporary life. For him Islamic architecture is a symbol of the best in Islamic history and through it he is expressing a philosophy. The architecture's grandeur, symmetry and nobility help create a sense of pride and identity among Muslims. From the brand new Serena Hotel in Quetta, Pakistan, to the Serena in Zanzibar, housed in a restored building, he encourages synthesis between past and present.

His projects are spread from Indonesia to Morocco but the ideas are generated from the Aga Khan Programme for Architecture in MIT-Harvard and the Trust in Geneva. Architecture is just one activity. The British ODA has acknowledged with cash backing the worthiness of his project for rural development in northern Pakistan. The approach is multi-pronged, economic needs and cultural activity fusing.

Because of his great personal prestige the Aga Khan is able to attract the support of heads of state and royalty; his education at Harvard, to which he is constantly drawn, keeps open international academic networks. He shuns personal publicity but he has no need to beat his drum. Directly descended from the holy prophet, he became the Imam in 1957 at the age of 20, in 49th in the line.

I interviewed him in Granada where, with the King of Spain, he recently inaugurated the medieval Zafra House. Restored by the Aga Khan, it henceforth will be the Centre of Historical Studies in Granada. Its arches, calligraphy, courtyard and fountain tell of an age of Islamic artistic glory. This is especially poignant just when Spain prepares to commemorate the 500th anniversary of the fall of Granada and expulsion of the Muslims in 1492.

He talks of the loss of vigour, the drying-up of initiative, the emphasis on empty dogma as causes of the Muslim downfall here. There are parallels today,



Aga Khan

"Those who wish to introduce the concept that you can only practise your faith as it was practised hundreds of years ago are introducing a time dimension which is not a part of our faith. We have to ask as Muslims how we apply the ethics of our faith today. It is a very delicate issue, whether it is in science, in medicine, in economics."

He worries that the Western media tend to depict Muslims negatively. "I find the Western media difficult to deal with, essentially because their agenda is very different. This agenda is enterprise first. When you look at enterprise in the Western world, they are not looking at the ethics or the future of the Muslim world. So ours is not a priority issue."

Matters are made worse as Islam remains undeveloped in Western education and therefore not understood. "They teach about Judaism, they teach Christianity, but they don't teach Islam. There's hardly a Western country I know of where the primary or secondary education has Islam as an ongoing offering to students." The same applies to the centres of higher learning, even to his own alma mater. "There is at Harvard a centre for Judaic studies. How can a university of that sort not do the same of Islam?"

And the West simply cannot ignore Islam: "With Islam encompassing such a large area of the world with significant populations, Western society can no longer survive in its own interest by being ill-informed or misinformed about the Islamic world. They have to get away from the concept that every time there is a bush fire, or worse than that, it is representative of the Islamic world. So long as they make it representative they damage both themselves and their relations with the Islamic world itself because they are sending erroneous messages back. There is where I would call a 'knowledge vacuum'. It is hurting everyone."

In our divided world, he said, "it is more important than ever for us to know who we are, from where we are coming and where we are going. Questions of identity and cultural interdependence have become the focus of public agendas throughout the world. The tragic events of the past year around the Gulf have illustrated sadly and depressingly the misunderstandings and misperceptions which affect us all."

The Aga Khan's talk of "humanism" and "tolerance" in Islam reminds both Muslims and non-Muslims of its essentially compassionate and universal nature. In an age in which Muslims tend to be polarised, this itself is a radical position. — The Guardian.

Masri rules out separate deals

(Continued from page 1)

"Parliament possesses two important tasks: the first is legislation itself and the second is to ensure that the government will be committed, and the second the question of confidence in the government. Should the government policies become unacceptable, the deputies can withhold confidence."

"Under the new interpretation of democracy, decision-making is no more the sole monopoly of the government and parliament has become a full partner in this matter, which means that the people are partners in the decision-making process," he said.

"To do justice in democracy, but we have to bear in mind that we all commit mistakes. What is more important is to learn from these mistakes and to harbour good intentions and remain determined to deepen the democratic concept," he added.

On the prospect of calling an early election to view of the fact that 45 political parties are emerging, the prime minister noted that the cabinet had endorsed the political parties law, which is now studied by parliament.

"This law does not have provisions for limiting the number of parties and any one can set up a party provided he has 50 constituent members," he said.

"Under the concept of democracy, the government can by no means limit the number of parties but rather can allow the process to take its natural course, leaving to the various parties the task of putting their work in order, but such a huge number of political parties can have no real weight in the Jordanian political scene," he said.

"These parties, however, will be given three years to take real shape in the Jordanian political field and to get involved in the next elections. So far almost two years have passed since the last elections and the political parties have another two years to go before the next elections can be held," he said.

"In my personal view," he said, "the present elected parliament should complete its four-year term."

On prospects of issuing a law forcing all voters to cast ballots in general elections, Mr. Masri said: "The best solution lies with the new elections law which will replace the obsolete law. The new law deals with facilitating the voters' acquisition of voter cards, removing any restrictions on nominations and the question of naming the electoral constituencies."

"We have two years before the coming next elections and by then we hope to have overcome all obstacles pertaining to these matters."

On the question of foreign debts of Jordan, Mr. Masri said his government would have to confront this question.

"Jordan stopped paying debts and interest on debts in the past two years but we have to begin new arrangements with the creditors through the Paris Club and the International Monetary Fund (IMF), but such arrangements will be reflected in the country's next fiscal budget," he said.

"Frankly speaking, Jordan is not in a position to honour its obligations in full."

"Jordan has to introduce adjustments to its plans in cooperation with the world community and world organisations because we need facilities to import from other countries."

Should international organisations exercise pressure on us to pay our debts, we would be facing real economic and financial dangers. To deal with this issue we need to offer sacrifices like reducing the budget deficit."

Mr. Masri said that the government will open negotiations with the London and Paris Clubs as well as the IMF next week in order to reach an acceptable formula, but parliament will be informed on these negotiations because it will be in charge of translating agreements into the coming fiscal budget over the coming two to three months.

Mr. Masri said that the country is facing an unemployment problem at a time when the country is hosting large numbers of people returning from Kuwait, estimated at 300,000 so far, utilizing the country's resources to the limit with further economic and financial burdens and increased demand on services.

"There is no doubt that this influx of returnees is further complicating Jordan's economic, social and political problems and placing the government face to face with a difficult position. We are now contemplating certain measures to deal with the problem, but we have no magic solution."

"Those with Jordanian nationality are here to stay until they decide otherwise. But in the past few months we have had contacts without success with Arab and foreign states to help us settle the returnees."

Even international organisations tried to help us in this matter with little success. As a result that most of the returnees remain in Jordan without any hope of returning to their home countries. As to those with Palestinian travel documents issued in Egypt it is known that the Egyptian authorities refuse to recognize them largely due to the political implications in this regard.

"The international community and Arab states, which try to wash their hands off the responsibility pertaining to the Palestine problem, should shoulder responsibility in this matter. We in Jordan, despite the severe pain we are facing due to the Kingdom's limited means, must continue the pressure on the world community and the Arab countries and seek the return of Palestinians with Egyptian travel documents to Egypt."

"What the government is doing now is creating opportune climates for investors in order to attract people from abroad with money to invest in projects. This is not an easy matter for the government, which had sought support from Parliament which is greatly restrained part of the investment law and by so doing placed further obstacles in the government's plans."

"We can only persuade parliament members to accept the government's ideas. The government has the responsibility to provide education and health services to all regions and it needs income to finance projects. To find a way out of this dilemma, we ought to open new doors for investments."

In reply to a question about Arab countries honouring their financial commitments to Jordan, the prime minister said the next fiscal budget will be "very difficult" for the government, but we hope that soft loans offered to Jordan would help us overcome part of the difficulties."

"Economic help to Jordan is linked to the political climate in Jordan and the current efforts for peace," he added.

In reply to a question on the prospects facing Jordan in the event of continued Israeli intransigence, settlement programmes and adamant positions with regard to the Palestinian rights, Mr. Masri said:

"We cannot predict the results of the peace efforts," he said. "Suppose Jordan and the Palestinians refused to participate in the conference we can by no means reach a solution to the problem. What is coming in the next stage is very serious for the whole region and for the Palestinians. It is incumbent upon us to deal with what lies ahead, but Jordan cannot bear the whole responsibility for the Palestinian problem. It is regrettable to see Arab countries inclined to withdraw into themselves and to shun Arab solidarity, with the result that Jordan was left to shoulder a far bigger burden than it can ever bear."

In reply to a question concerning coordination with Syria and other Arab countries, the prime minister said: "Jordan seeks such coordination and supports Arab meetings, but so far no such coordination has materialised at a time when it is known that Israel seeks separate solutions with each Arab state."

Mr. Masri said that the country is facing an unemployment problem at a time when the country is hosting large numbers of people returning from Kuwait, estimated at 300,000 so far, utilizing the country's resources to the limit with further economic and financial burdens and increased demand on services.

Should international organisations exercise pressure on us to pay our debts, we would be facing real economic and financial dangers. To deal with this issue we need to offer sacrifices like reducing the budget deficit."

Mr. Masri said that the government will open negotiations with the London and Paris Clubs as well as the IMF next week in order to reach an acceptable formula, but parliament will be informed on these negotiations because it will be in charge of translating agreements into the coming fiscal budget over the coming two to three months.

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Excessive intervention hampers economic development

By Vinod Thomas

Vinod Thomas is chief economist of the Asia Region at the World Bank. He was the staff director and principal author of the Bank's annual flagship publication, the 1991 World Development Report, which has just been released.

WASHINGTON—In these frustrating times of "aid fatigue," it may not be fashionable to suggest that "development" is working. But consider the following: Over the last 30 years, infant-mortality rates have been cut by half in the developing world; average life expectancy has risen by 10 to 15 years; and average incomes have doubled—indeed, average incomes have even quintupled in some Third World countries.

Having offered the above examples, it is also appropriate to acknowledge that progress is not occurring uniformly in the developing world. In at least 20 countries—which together contain some 250 million people—living standards have actually fallen in the last 30 years. And in 10 other countries—with a total population of 200 million—there has been little change in the day-to-day quality of life for the ordinary citizen. More than a billion people—or a fifth of the global population—still live on the equivalent of less than a dollar a day. Their standard of living was surpassed by the peoples of North America and Western Europe 200 years ago!

Why these enormous divergences in the post-war, post-colonial development experience? This year's World Development Report—the annual assessment of global development published each July by the World Bank—draws on 40 years of the development experience of some 100 countries to suggest answers to this fundamental question.

A central explanation lies in the mix of market competition and government intervention that countries have chosen to adopt. Failure to progress speedily on the economic front is often attributable to excessive government intervention in the economy.

Economic failure is usually conspicuous in areas such as the production of steel, and cement, or the running of airlines and hotels. These are sectors best left to private enterprise.

The development record of the last 30 years also demonstrates that in other key areas such as primary education and infrastructure development, it is inadequate or insufficient government intervention that can assure failure. These are areas where the private sector often lacks the expertise or capital to be as fully involved as government.

While many developing countries have finally consigned long decades of debilitating socialism to a well-deserved demise, some Third World leaders remain anchored to statist policies that only assure widening poverty for the masses. Average incomes have risen five-fold in Third World economies that long ago embraced free-enterprise policies—such as Singapore and Korea—over the past 30 years, while they have fallen steeply in 25 per cent of the world's 127 developing countries. As a result, more than one billion people—a fifth of the global population—live on the equivalent of less than a dollar a day.

The statistics contained in this year's World Development Report are alarming: Third World

external debt has risen to \$1.3 trillion, and while the annual per capita income in industrialised countries is \$18,000—the figure is barely \$800 in low-and-middle-income nations. And the population growth in developing countries is more than 90 million annually—an unprecedented demographic explosion that is undermining sustainable development. Nearly 95 per cent of the addition to the global population in the next 25 years will be in the Third World. High fertility and rapid population growth in developing countries also contribute to the process of environmental damage.

"The new mantra of 'market economy' should not be yet another slogan that conveniently substitutes for action. Interchanging words—'socialism' to 'free enterprise'—only for their political resonance is unlikely to produce progress."

Given such a gloomy picture, it is tempting to write off prospects for any meaningful economic growth in much of the Third World. Indeed, policy-makers in several Western chancelleries have already done so—as is evident by the "aid fatigue" that appears to have gripped them. Officials and well-wishers in many donor countries seem to have resigned themselves to the inevitability of the Third World sliding into complete chaos. They assert that it is too late to root out corruption that eats into the entrails of most developing economies.

Because the Third World consists of three-quarters of the global population of 5.2 billion, it would be cynical—even irresponsible—to consign this cohort to permanent poverty. The License Raj that bedeviled countries like India was originally conceived with very good intentions—putting the economy into public hands in order to reduce commercial greed and exploitation. But where government over-regulates business, corruption becomes inevitably endemic. Such systems yield sizable lucre for leaders who decide what and how much economic activity there should be. In these Third World countries, the art of saying "No!" or "Maybe" has been refined into a science of personal aggrandisement.

Even as they proclaim their undying dedication to poverty alleviation, many Third World political and bureaucratic mandarins busily feather their nests—usually in affluent Western climes where their ill-gotten gains are secure from scrutiny. For example, it is extraordinary how

many Indian officials have become proud landlords—by proxy, of course—in the United States. Often in conspiracy with favoured industrialists who benefit by protectionist policies that discourage foreign and domestic competition, corrupt Third World leaders have ensured that as much as 60 per cent of the wealth in some developing countries is siphoned into what economists call "directly unproductive activities."

Bribery, venality and nepotism ultimately endanger not only a nation's economic prospects but also its values and social cohesion. The result? Violence and political tensions. India is a case in point. Pakistan is another case in point. But now both the Indians and Pakistanis have recognised that the best prescription for progress is a market economy where government lets men and money loose. "The purpose of government is to set policy not to manage hotels, banks and other businesses," says Pakistani Prime Minister Nawaz Sharif. His counterparts in neighbouring Asian countries—and indeed elsewhere in the Third World—would do well to heed the young prime minister's words.

For countries to successfully make the transition from hide-bound statism to the market economy requires a long acculturation of entrepreneurship, and an understanding of how markets work. "Indeed, conversion to capitalism can bring the same trauma that instant socialism imposed a generation ago," warns Prof. Ralph Bhatnagar of New York University.

Still, in Third World societies government must play a role in establishing an environment that promotes rapid economic growth and stems corruption. That is why Pakistan has so firmly committed its government to wholesale privatisation and deregulation, and the scrapping of foreign-exchange controls. It is a risk that neighbouring India—which enjoys more resources and a bigger economy—has just started to take.

Beyond the expected reluctance of politicians to unshackle the economy, there are other factors that could weigh against the adoption of an untrammelled market economy in struggling Third World countries. A lot of employment is contingent on the state's running of industries. Trimming this labour force could well spawn fresh social strife. Moreover, financial markets are not developed enough in most Third World countries.

In the enthusiastic rush towards economic liberalisation, there may be another danger. The new mantra of "market economy" should not be yet another slogan that conveniently substitutes for action. Interchanging words—"socialism" to "free enterprise"—only for their political resonance is unlikely to produce progress.

Many Third World leaders are gloomy about the prospects for more investment and concessional aid from the industrialised countries. Their leaders contend that these developing societies must also have access to the latest, most efficient and competitive environmentally-sound technology. Protectionist policies in a handful of industrial countries may cost developing countries' agriculture \$30 billion a year in lost income. Conversely, greater access to Western mar-

kets could result in additional income for Third World countries of more than \$50 billion—the equivalent of what these countries receive in foreign aid from donor nations such as Japan and the United States.

The rapid economic development in this century is unprecedented, as scientific and technological advances have dramatically modernised economies in a generation. But because the speed of adoption of such innovations has not been uniform, wide gaps have opened between the industrial and developing countries as well as among groups of developing countries—leaving many parts of the world in abject poverty.

Economic development means sustainable improvement in welfare—measured by per capita income and indicators of social development in such areas as education, nutrition, life expectancy, health, and the environment. Culture, religion, values, natural resources, the socio-political and historical factors, as well as external conditions, all play a part. But the institutions a country fosters and the economic priorities it follows direct and drive its success in modernisation and economic progress.

Development thinking has changed greatly since World War II. India's first five-year plan captures the emphasis of the early 1950s in most developing countries: "The key to higher productivity... lies really in stepping up the rate of capital formation... Control and regulation of exports and imports... are necessary."

The plan also said: "A rapid expansion of economic and social responsibilities of the state will alone be capable of satisfying the legitimate expectations of the people." Forty years later, the focus is otherwise mirrored in a statement from the World Institute for Development Economics Research, in Helsinki: "The early optimism of development economics was misplaced—in the competence of the state, in the effectiveness of its interventions, in the independence of the national growth project from in-

ternational trade, technology, and capital markets."

Today socialist economies are beginning to reject commands, coordination, and central plans and moving towards markets, incentives, and competition. Consider a major policy speech by President Mikhail S. Gorbachev of the Soviet Union in 1989: "The market is not omnipotent. But mankind has not devised any more effective and more democratic mechanism of economic management." More and more policymakers accept the contribution of greater openness to trade and competition, the need for proper sectoral incentives, and the importance of sustainable macroeconomic policies. Equally significant, they recognise the contribution of human resources, in addition to that of physical resources.

"The statistics contained in this year's World Development Report are alarming: Third World external debt has risen to \$1.3 trillion, and while the annual per capita income in industrialised countries is \$18,000—the figure is barely \$800 in low-and-middle-income nations."

Also gaining acceptance are the views that getting the policy environment right means much more than getting the prices right. For example, it pays to invest in infrastructure and to address the numerous administrative, bureaucratic, and other institutional constraints to development. The quality and competence of government in providing or fostering these nonprice ingre-

dients of development are vital. More generally, it is as important for the government to excel in its areas of specialisation—ensuring the provision of social services; establishing regulatory and competition policy; managing overall economic policy; and addressing market failures.

This emerging convergence of views, while remarkable, is still rather general. Important differences remain about policy choices. Should governments maintain some industrial protection? How fast should they implement market reforms and how should they be sequenced? What distributional policies should they adopt to supplement growth policies? And there are many more specific issues, such as: How should governments sequence import liberalisation and industrial deregulation? How should they balance public spending for primary education and for higher education? For preventive health care and curative health care?

One reason for the divergences on policy issues is a genuine difference in assessments of what works best in different circumstances. Another is that these positions are steeped in the political economy of economic policies, which varies across countries. Yet a third, perhaps less important than the first two, is that the variations in policy conclusions stem from possible differences in the goals of development.

The time is ripe for building on the broad convergence of views to explore a vision of development for the 1990s. The time is also ripe for examining what such a vision means for making difficult tradeoffs and implementing reforms. To do this well requires examination of the uncertainties and controversies surrounding the implementation of development policies.

The 1990s provide tough challenges, but also great opportunities for progress—given the general health of the world economy, the growing agreement about development strategy, and the improving capabilities for implementing policy changes in many developing countries.



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ANNOUNCEMENT

From: THE NEW ENGLISH SCHOOL—AMMAN
To: The Students, Parents and Teachers

By agreement with the Ministry of Education, it has been decided to postpone the start of the academic year 91-92, until Saturday August 31, 1991, one week later than the original date for all classes.

All staff should similarly report for duty on Saturday August 24th, 1991 at 9:00 a.m.

Resit examinations however will still be held on Monday August 19th, at 9:00 a.m.

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Pan Am Games turn into near nightmare for U.S.

MANA (R) — The Pan American Games turned into a near nightmare for the United States Sunday when Cuba's baseballers at them in the most eagerly awaited contest of the games and Americans dropped the baton in the men's 100 metres relay.

The setbacks allowed Cuba to go further ahead of the United States in gold medals. It left the hosts poised to replace the United States for the first time since the inaugural games 40 years ago at the head of the gold medals table.

The athletics events ended Sunday with Cuba winning 18 gold medals, the United States nine, while Mexico and Brazil were equal third on six gold medals.

It was the first time ever that Cuba had won more gold medals than the U.S. in athletics.

Over the past week the Cubans have won in events from the 100 metres to the marathon and the high jump to the javelin.

In a fitting finale for the hosts, the Cubans, who had won the opening event, the marathon, also took the last athletic event when they edged out the United States in the 400 metres men's relay.

It was the 100th gold medal won by Cuba, 20 ahead of the United States. With still a week of competition to go the hosts have already won more golds than at the last Pan American Games in Indianapolis four years ago.

President Fidel Castro, who

has been given a major political boost by his athletes' success, punched the air in delight as the last Cuban runner Lazaro Martinez broke the tape.

Mr. Castro has raced from venue to venue presenting medals.

With many of their top track stars like Carl Lewis missing the games to prepare for the World Championships in Tokyo later this month, the Americans have always seemed a step behind the host athletes.

The disaster for the U.S. earlier in the men's 400 metres relay summed up the way the inexperienced U.S. team has performed at the games since they started on August 2.

The Americans dropped the baton at the last changeover when they were leading by several yards allowing Cuba to win the gold medal.

The U.S. has also been bothered by the heat and has complained about erratic judging in some events.

But the Americans did not go down without a fight in the baseball clash which was watched by a record 60,000 crowd, some of whom waited overnight to get into the stadium.

The young American side, whose average age is only 20, went down by only 3-2 against a Cuban team that included several players who have competed in two previous Pan American Games.

The U.S. scored first in the top of the fourth inning but the Cubans came back to score two in

the same inning and then went ahead in the fifth. The United States came back to score in the sixth to make the score 3-2 and in the eighth loaded the bases with no outs.

But a double play ended the fightback and Cuba's relief pitcher Omar Ojeda did not give up a hit in the ninth.

However Cuba and the United States could still fight for the gold medal because both teams have already qualified for the semifinals.

Despite the closeness of the match there were no incidents involving players or fans, continuing the good sportsmanship which has been a feature of all Cuba-U.S. match-ups during the games.

There was some solace for the United States Sunday when their skeet shooting team set the only world record at the games so far.

The U.S. team of Dean Clark, Bill Roy and Mike Schmidt beat by four points the previous record of 441 points set by Holland in Zagreb, Yugoslavia in 1989.

Not everything went Cuba's way Sunday. Their veteran light welterweight champion Candelario Duvergel, who has won the last two Pan American gold medals, lost on points to Puerto Rico's Anibal Acevedo.

The shock defeat denied Cuba the chance to win all the gold medals in boxing while their main rivals the United States have already been eliminated from four of the 12 weight divisions.

Senna, Prost head in different directions

BUDAPEST (AP) — On the weekend that Ayrton Senna and Alain Prost called a truce in their Formula One rivalry, Senna returned to his winning ways while Prost finished last in the Hungarian Grand Prix.

The Brazilian won his first race in six tries after starting the season with four consecutive victories in his McLaren-Honda.

Prost, still searching for his first victory in almost a year, dropped out after 23 laps with a blown engine in his Ferrari, the first car to be out of the 77-lap race Sunday.

"I think Alain has more problems than I have right now. That has had some contribution for us to come together, for both of us to try," Senna said after the nearly two-hour meeting they had at the request of the sport's governing body Friday.

The International Auto Sports Federation, FISA, cracked down on both of them for conduct as a result of an incident in the German Grand Prix two weeks ago.

Both drivers received warnings from FISA and the Frenchman was given a suspended one-race ban for critical comments about the ruling body he made to a French television network.

Both said they agreed to make an effort to work out their problems after their clashes on the track led to a bitter rivalry, even

when they were teammates for McLaren-Honda in 1988 and 1989 and winning nearly everything.

Senna drove like old times as he led from start to finish in the Hungarian race to pick up his fifth victory of season and 31st of his career.

It was Senna's first since May when he capped a four-race victory streak with another start-to-finish triumph at Monaco.

"It's nice to win pole and then the race again," Senna said, who had two thirds and a fourth in the last five races. He also ran out of gas in the last two races.

Senna toured the 77 laps on the 3.968-kilometre Hungarian Circuit in the rolling hills outside Budapest in 1 hour, 49 minutes, 12.796 seconds. That broke the race record of 1:49:30.597 set by Thierry Boutsen of Belgium last year.

Senna averaged 167.857 kilometres per hour for the 305.538 kilometres.

Britain's Nigel Mansell, who had won the last three races for Williams-Renault, was second, almost five seconds behind.

He made a strong challenge for the lead in the middle of the race but then faded. Riccardo Patrese of Italy took third, also in a Williams-Renault.

"On a circuit like this it's hard to overtake. It's hard to be ahead

all the time," Senna said. "But then it's better to be ahead in a race like this than behind."

It was the fourth year Senna has won at least five Formula One races. Only three-time world champion Prost has done that, although not consecutively as Senna has done from 1988 to 1991.

However Prost would be happy to win just once now.

After clocking the fastest time in the morning warmup, Prost went out after 28 laps with an engine failure. He started in fourth position.

It continued his series of misfortunes with Ferrari. His last victory was in Spain last September. The Ferrari team has undergone a major shakeup and Prost has been criticised by the Italian press.

Then, in an uncharacteristic display, he blasted FISA on French television following an incident in the German Grand Prix. He felt Senna made a dangerous move, although observers felt Senna made a hard but fair move to hold off Prost.

The Frenchman is just fifth in this year's driver's race, 40 points behind Senna. He has been first or second in seven of the last eight years.

Senna leads Mansell, 61-49, in this year's standings with the Belgian Grand Prix coming up in two weeks.

Capriati rises to No. 7 with victory in Toronto

TORONTO (AP) — Jennifer Capriati is on a roll. With her second straight tournament title, the teenager has boosted her ranking to seventh in the world.

The 15-year-old captured the Canadian Open title Sunday by defeating Katerina Maleeva of Bulgaria 6-2, 6-3. A week earlier, she won the Mazda Classic in San Diego, stopping Monica Seles in the title match.

Now she heads home for two weeks of well-earned rest in preparation for the U.S. Open.

"I'm not really physically tired but I am mentally tired," Capriati said. "I've been on the road a lot lately, and it will be good to get home. I'm going to go home and relax for a couple of days, and then do a lot of work for the U.S. Open."

Capriati can move into the top five with a strong showing at the open. Little separates her from the three players ahead of her: Mary Joe Fernandez, Martina Navratilova and No. 4 Arantxa Sanchez Vicario.

"I really have no one in particular who I want to beat really badly," Capriati said. "I just want to beat them all."

Capriati, seeded third, disposed fourth-seeded Maleeva in 65 minutes. Still, she realises her game needs honing for the U.S.

Open.

"I played so well and was (always) in control that there was no time for it to be close," she said.

Yet, Capriati's concentration wanes, especially after she breaks her opponent's serve. Twice she dropped her serve after breaking Maleeva.

"I guess I just think to myself 'I just broke her' and then I don't have the same intensity in the next game," Capriati said.

"I do lose my concentration. I'm going to keep working on every aspect of my game."

While Capriati controlled play with a brilliant baseline game throughout the match, Maleeva struggled to find her rhythm.

"I was not really nervous. I'm used to the pressure," said Maleeva, who earned \$45,000.

"It was just one of those days. Some days you wake up and you play great, other days you can't."

Capriati and Maleeva advanced to the final after their respective semifinal opponents — Gabriela Sabatini and Manuela Maleeva-Fragniere — withdrew with injuries.

Despite the loss, Maleeva still



Jennifer Capriati

rises one place to No. 12 for having reached her first final since March of 1990. She will have next week off, then play in the Virginia Slims of Washington to prepare for the U.S. Open.

In the doubles final, Wimbledon champions Larisa Savchenko and Natalia Zvereva of the Soviet Union beat Claudia Kohde-Kilsch of Germany and Helena Sukova of Czechoslovakia 1-6, 7-5, 6-2.

Fernandez wins Slims of Albuquerque

ALBUQUERQUE, New Mexico (AP) — Second-seeded Gigi Fernandez of Puerto Rico captured the second title of her career Sunday with a 6-0, 6-2 victory over a tired top-seeded Julie Halard of France at the Virginia Slims of Albuquerque.

Fernandez, the world's top-ranked doubles player, pumped her fist and smiled as she fired a winning forehand down the line to end the 46-minute match and take home the \$27,000 top prize.

"Today I played probably one of the top five matches of my career," Fernandez said. "I don't think she played really well today, but I think part of that had to do with the way I played."

Fernandez entered the tournament ranked no. 33 in the world in singles. Her only other professional singles title was at a \$50,000 tournament in Singapore in 1986.

"This was a great match for me," she said.

Halard, whose singles and doubles semifinal matches Saturday both went three sets, said she was worn out and her back sore.

"Today I was too tired," said Halard, who came into the tournament ranked no. 27 in the world.

"I only played one good game," she said. "I am disappointed to play a match like that for the final."

Forget beats Sampras to win ATP Championship

MASON, Ohio (AP) — It took Guy Forget nine years to earn a return match on the stadium court at the ATP Championship. But, Oh, he did it in style.

As a promising teenager from France, he lost to John McEnroe in 1982. Forget didn't speak enough English to fully understand as McEnroe harangued a linesman, but the incident is fresh in his mind.

"It was my first pro tournament where I really did well," Forget said.

"I beat Roscoe Tanner, who was 11th in the world at the time. Every match was a surprise. I was in the quarterfinals, playing McEnroe in the centre court, and I was so excited just to be there."

In his triumphant return Sunday, Forget beat U.S. Open champion Pete Sampras 2-6, 7-6 (7-4), 6-4 for the most prestigious title of his career.

"To win on that same court is a very special moment," Forget said. "To be on that court and win a tournament, where before to play just one match was the biggest joy of all."

The victory was a breakthrough for his countrymen. No French player had ever beaten an American in the final of a men's tournament in the United States. Not since Yannick Noah beat Argentinian Guillermo Vilas at the WCT Tournament of Champions at Forest Hills in 1986 had a Frenchman won any tournament in the U.S.

With \$2.5 million in career earnings, Forget has made a comfortable living playing tennis. But until the past few months, he

never realised the expectations placed on him a decade ago.

The \$170,200 ATP check was the biggest of his career for the 26-year-old, who has played on the French Davis Cup and Olympic teams, but until this year never cracked the top 10 rankings.

"The hard thing is just to go into a tournament thinking, 'I'm going to go through hell this week, it's going to be 100 degrees and I'm going to have to fight five guys and play a lot of 7-6 games,'" Forget said.

"In the past, I was not ready to go through that fighting every day, and my level of tennis would drop dramatically. Now I am more relaxed and more confident and I can keep up my level of play longer than I used to."

Forget's forte has been doubles, winning 22 tournaments. Until Sunday, he had won just five singles titles, including Sydney, Australia, and Brussels, Belgium, this year.

One win, at Toulouse, France, in 1986, continued a periodic family tradition. Forget's father Paul won the same tournament in 1966, and his grandfather Pierre won it in 1946.

Forget said he played so well at the ATP, including a win over top-ranked Boris Becker in the semifinals, because he didn't expect to win.

"I just came back from holiday. I was going to take the tournament as a preparation for the U.S. Open," Forget said.

"Every match I won was like a bonus. I didn't have any pressure on myself."

HOROSCOPE

FORECAST FOR TUESDAY AUGUST 13, 1991

By Thomas S. Pearson, Astrologer, Carroll Righter Foundation

GENERAL TENDENCIES: Use modern methods and accepted proven tenets to achieve important results that are in your mind as you deal with the double Moon square to Uranus and Neptune this afternoon and evening.

ARIES: (March 21 to April 19) Your day to use every available moment to enjoy the things that appeal to you the most and to bring to light the best means to please yourself.

TAURUS: (April 20 to May 20) You are now able to find whatever is necessary in order to make conditions at your residence better than they have been for sometime with little effort.

GEMINI: (May 21 to June 21) Now you can get together with usual allies and to thrust out with them exactly what is necessary in order to gain the advancement you desire.

MOON CHILDREN: (June 22 to July 21) Your interest in the lighter side of life should be put aside while you get more income by thinking bigger and putting such ideas in motion.

LEO: (July 22 to August 21) This is your day for doing exactly what you like that will make others respond to your magnetism and special charm which is at a new high.

VIRGO: (August 22 to September 22) This is your time to make sure that you do handle all those be-

hind the scenes matters without any deep-seated pettiness so you can prepare for success.

LIBRA: (September 23 to October 22) You now find that persons who do meet your requirements for friendships are about and will go along with the plans that you have in mind.

SCORPIO: (October 23 to November 21) There are some outside interests connected with your career that can be made to operate for you and bring you more success in the public.

SAGITTARIUS: (November 22 to December 21) Now you have it in your power to show the various means by which you can gain the good will and assistance of those allies you have met.

CAPRICORN: (December 22 to January 20) Whatever you would like to do that does require forgetting big plans and solving regular concerns of everyday living is now vital to your welfare.

AQUARIUS: (January 21 to February 19) There are a number of strange and interesting personalities who would like to know you better and they could bring you much pleasure through their antics.

PISCES: (February 20 to March 20) Your interest in getting many projects done now is excellent so get busy and show you do have the stamina and the interest to get them done.

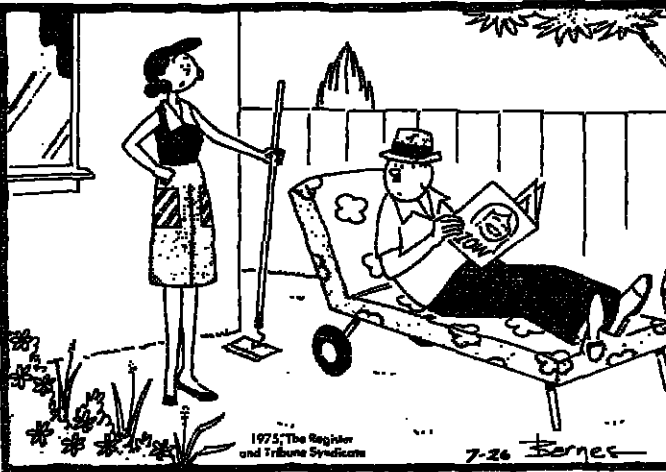
Your birth stone = Happiness

World Resources: Daguer & Co. Inc. Jewellers: Gems

Amman: Amma Hotel: 6m. circle

THE BETTER HALF

By Barnes



"Your weeds are in my flowers again."

JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

GUNST

BADIE

LUPCOE

DORWAT

Answer here: "G O O D" "M I L K" "B E E F" "C H E E S E"

Yesterday's Jumbles: TAFFY AGATE FRENZY MILDEW

Answer: What that golf fanatic had in his eyes — A "FAIRWAY" LOOK

(Answers tomorrow)

THE Daily Crossword by Hank Harrington

ACROSS

1 In order

5 Complete

9 Diamond pad

13 See Eisenhower

14 Fr. composer

15 — podrida (miscellany)

16 Sustain

17 Before long

18 You love: Lat.

19 Forty —

20 — Pause

21 Train or boat

22 With 48A, a sky

23 Sight

24 Low grade

26 Crown stones

30 Baby whale

31 Curt

37 Touched ground

38 City on the Okla.

39 Superstitious

40 — Be Good!

41 Short style

42 Indica

44 Golden fort

45 Keaton role

47 Ranking Turk

49 See 22A

50 Ludicrous

59 Pom or Peke

60 Inmate in a way

61 Columnist

62 Suff

63 Door sign

64 Astrigent

65 Memory

66 Hoard

67 A Truman

68 Part of OAS.

69 Scuttled

DOWN

1 Evergreen shrub

2 Certain

3 Arab

4 Become very

5 Drunk

6 Oahu veranda

7 Distant in manner

8 There

9 Monopoly

10 Quebec city

11 Certain

12 Kind of chair

13 Bill of fare

21 — whiz

23 Rooster crest

24 Alphabet run

27 Fair

28 It, resort

29 River of Hades

30 Opera feature

31 Fast days

32 Swedish

35 Mfr. club

36 One left behind

40 Some

48 Everyone

49 Convent

50 Language

51 Actor Nick

52 Revolutionary

53 Singing John

54 Office worker

55 Philistine city

56 U.S. part

57 Actor's part

58 Burden

62 Religious man

Grandmasters hit time trouble in chess tournament

Financial Markets

In co-operation with
Cairo Amman Bank

U.S. Dollar in International Markets

Currency	NEW YORK	LONDON
STERLING Pound*	1.6935	1.6750
Deutsche Mark	1.7290	1.7221
Swiss Franc	1.5445	1.5442
French Franc	5.6555	5.6555
Japanese Yen	136.57	136.57
European Currency Unit	1.7661	1.7661

* USD Per STG

** European Currency Unit 9.36 J.O.R. D.M.

Eurocurrency Interest Rates

Currency	1 MTH	3 MTHS	6 MTHS	12 MTHS
U.S. Dollar	5.04	5.02	5.02	5.04
STERLING Pound	10.87	10.81	10.82	10.81
Deutsche Mark	8.26	8.21	8.21	8.21
Swiss Franc	1.02	1.02	1.02	1.02
French Franc	9.17	9.17	9.17	9.17
Japanese Yen	7.11	7.11	7.11	7.11
European Currency Unit	8.67	8.67	8.67	8.67

Interbank bid rates for currencies trading in London 1.000.000 or equivalent

Precious Metals

Metal	USD-Oz	JD-Gm	Metal	USD-Oz	JD-Gm
Gold	346.14	9.75	Silver	1.99	1.99

21 Karat

Central Bank of Jordan Exchange Rate Bulletin

Currency	Bid	Offer
U.S. Dollar	1.7661	1.7661
STERLING Pound	1.6935	1.6750
Deutsche Mark	1.7290	1.7221
Swiss Franc	1.5445	1.5442
French Franc	5.6555	5.6555
Japanese Yen	136.57	136.57
Dutch Guilder	1.5033	1.5033
Swedish Krona	1.0940	1.0940
Italian Lira	1.7441	1.7441
Belgian Franc	1.7661	1.7661

Per 100

Other Currencies

Currency	Bid	Offer
Bahraini Dinar	1.7650	1.8000
Lebanese Lira	1.0750	1.0750
Saudi Riyal	1.0129	1.0140
Kuwaiti Dinar	-	-
Qatari Riyal	1.0662	1.0670
Egyptian Pound	1.2000	1.2000
Omani Rial	1.7450	1.7500
UAE Dirham	1.7441	1.7470
Greek Drachma	1.5000	1.5000
Cypriot Pound	1.1250	1.1250

Per 100

CAB Indices for Amman Financial Market

Index	7.8.91	Close	10.8.91	Close
All-Share	109.10	109.10	109.10	109.10
Banking Sector	109.10	109.10	109.10	109.10
Insurance Sector	119.76	119.76	119.76	119.76
Industry Sector	114.01	114.01	114.01	114.01
Services Sector	126.97	126.97	126.97	126.97

December 31, 1990 = 100

LONDON EXCHANGE RATES

LONDON (R) — Following are the buying and selling rates for leading world currencies and gold against the dollar at mid-session on the London foreign exchange and bullion markets Monday.

One Sterling	1.6960/70	U.S. dollar	1.1467/72
One U.S. dollar	1.7250/60	Canadian dollar	1.9480/90
	1.5108/15	Deutsche marks	35.55/59
	5.8650/8700	Dutch guilders	1292/1293
	1292/1293	Swiss francs	136.40/50
	6.2720/70	Belgian francs	6.7470/20
	6.7470/20	French francs	6.6820/70
	357.70/358.20	Italian lire	114.01
		Japanese yen	114.01
		Swedish crowns	114.01
		Norwegian crowns	114.01
		Danish crowns	114.01
		U.S. dollars	114.01

Survey finds U.S. economic recovery slow and uneven

WASHINGTON (R) — The U.S. economic recovery is slow and uneven with jobs still being lost and retail sales anemic, the Federal Reserve (Fed) has said after it cut interest rates to try to inject some life into the economy.

"According to contacts across the country, national economic conditions continue to improve, but at a slow, uneven pace," said the survey by the U.S. central bank.

The survey was based on information gathered before July 29 and known to the Fed decision-makers before they pushed short-term interest rates down Tuesday. The central bank action was intended to encourage businesses and consumers to borrow and spend more freely.

The White House welcomed the action to lower interest rates, especially after a weak employment report last Friday that said 51,000 more jobs were lost in July. But analysts said more reductions may be necessary.

The latest summary of economic conditions, known as the "beige book" and released at about six-week intervals, painted a relatively gloomy picture of the U.S. economy's struggle out of recession.

The survey of the 12 federal banks that make up the Federal Reserve system was compiled by the Federal Reserve Bank of Boston.

It said several Fed districts reported state and local governments as well as service industries like banks and airlines still were slashing payrolls. Manufacturing businesses were only "stabilising" after steep, recession-induced losses.

Tens of thousands of manufacturing jobs were lost when the economy slipped into recession in mid-1990.

Though there was a very slight 0.4 per cent annual rate of expansion in gross national product, or GNP, between April and June after six months of contraction, the figures are subject to revisions that could reduce or eliminate the gain.

The weak jobs report, as well as signs of tighter money supply, fueled concern that a "double-dip" recession was possible in which the recovery would falter once more after a brief gain.

But White House spokesman Martin Fitzwater said Wednesday that President George Bush believes a recovery "is on track" and the Fed move to cut its target for the federal funds interest rate to 5 1/2 per cent from 5 3/4 per cent should help.

"We think this is a very good move," Mr. Fitzwater said. "It should be helpful to the recovery."

The Fed survey said that retail sales were generally flat or were edging up slightly. "Nevertheless, respondents from all areas expect a modest recovery in retail sales during the second half of 1991," it said.

There was some pickup in business for manufacturing business but the recovery was not uniform, survey respondents said. Demand was stronger for consumer goods than for capital equipment.

Business loan demand was weak in most districts.

"In New York, banking contacts say they remain willing to lend to qualified business borrowers, but credit standards have tightened in recent months and borrowers' credit quality has declined," the survey reported.

The Philadelphia Fed similarly reported "slack demand" for business loans despite active promotions.

Other data have shown the U.S. money supply — the amount of cash in circulation — fell in July by 3.7 per cent, a significant development because of its potential for choking off not only the demand, but the supply of credit.

Economists said the central bank may be forced to make credit cheaper again, possibly including a cut in its trend-setting discount rate from 5 1/2 per cent, though that might await a Fed policymakers' meeting early in October.

"If the Fed sees the same type of data over the next six weeks, it will ease again," Ward McCarthy, managing director of Stone and McCarthy Research Associates Inc. in Princeton, New Jersey, predicted Tuesday.

"The economy is not mustering any momentum," he added.

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Bonn likely to raise interest rates this week

FRANKFURT (R) — German interest rates, defying a downward trend elsewhere, seem set to rise when the country's central bank council meets Thursday in a climate of relatively high domestic inflation.

Rarely has the powerful Bundesbank signalled so clearly its intentions to tighten monetary policies ahead of one of its regular sessions, economists and financial analysts say.

"There has been an unusually long and strikingly open discussion about interest rates before this meeting," said Hermann Remsperger, chief economist at Berliner Handels- und Frankfurter Bank.

The policy-making Bundesbank council will be meeting Thursday for the first time in five weeks after its annual summer break. It normally convenes every second week.

Economists expect it to clamp down hard on inflation, which hit a nine-year peak of 4.1 per cent in July.

Many believe that the Bundesbank will raise its 6.5 per cent discount rate by a full percentage point and its nine per cent Lombard rate, used by commercial banks for short-term emergency funding, by at least one quarter, and perhaps even one half, of a percentage point.

"Everyone is convinced that rates will rise and if they do not, markets will be disappointed," Mr. Remsperger said.

Economists said a Bundesbank rate increase would help tame galloping inflation and keep the mark firm by further widening the gap in favour of German rates.

But some economists say a sharp rate rise could strangle economic growth, already pressured by a series of tax increases from July 1 to help bear the cost of German unification.

The Bundesbank has issued repeated warnings about tighter monetary policy in recent weeks. Britain's Independent newspaper Monday quoted new central bank president Helmut Schlesinger saying Germany's underlying inflation rate had risen sharply.

The discount rate was an unjustifiable subsidy, he said. He could not foresee any sudden braking of domestic growth.

"We're not used to the Bundesbank being so public about its intentions," said one senior money market trader.

Economists said a Bundesbank rate rise would signal to the government that it would not sit idly by as debt rises. It would also warn labour unions that it would not tolerate further wage increases like the seven per cent deals sealed this year.

"It would be a shock if they don't raise rates," said Dieter Wermuth, of Manufacturers Hanover. "Much of the mark's recent strength has reflected expectations of higher rates."

Kuwait launches recruitment drive in Gulf Arab states

MANAMA, Bahrain (R) — Kuwait has launched a recruitment drive in neighbouring Gulf Arab states to fill jobs previously held by Palestinians and other foreigners, a Kuwaiti embassy spokesman said Monday.

"In the aftermath of the invasion we are trying to give jobs to GCC (Gulf Cooperation Council) citizens rather than other people — we have learned the danger of relying on foreigners," the spokesman said.

Before the Iraqi invasion, about two thirds of Kuwait's population of around two million were foreigners.

Palestinians formed the largest expatriate group with about 350,000 people but their numbers have since dwindled to 90,000 as a result of the government's decision to lay off as many Palestinian professionals as possible.

Most Kuwaitis openly sympathise with the step, a retaliation for the Palestine Liberation Organisation's support for Iraq during the Gulf crisis.

Some Palestinians in Kuwait were accused of collaborating with Iraq during its seven-month occupation and in the first days after the emirate's liberation, hundreds were tortured and killed by roaming gangs of Kuwaiti youths.

Kuwait announced last month it was terminating the contracts of more than 110,000 civil servants, most of them Palestinians.

The Kuwaiti embassy spokesman said his government was focusing its recruitment drive on teachers but was also looking for engineers, doctors and nurses.

"Education is the most sensitive job in Kuwait and other countries in the world because teachers have the task of raising a new generation," the spokesman said.

Bahrain — which has a growing unemployment problem — has promised to send the emirate 200 teachers for the 1991-1992 school year, the spokesman said.

Hundreds of others will be recruited from the four other GCC members — Saudi Arabia, Oman, Qatar and the United Arab Emirates, he added.

Large advertisements for vacancies at Kuwait University, Kuwait Petroleum Corporation, and the emirate's ministries of health, education and electricity and water, have appeared in Bahraini newspapers during the past few weeks.

Hundreds of Asian workers are returning to Kuwait to replace the estimated 500,000 which fled during the occupation.

The emirate is also trying to rebuild its tiny army but lack of manpower is a pressing problem. Kuwait's adult male population numbers about 160,000 and many Kuwaiti families are still living outside the emirate.

The government of Prime Minister John Major is looking to an end to the year-long recession to improve its chances in a general election which must be called by July next year.

Mr. Major's Conservative Party is trailing the opposition Labour Party by four per cent in the latest opinion polls, which indicate economic recovery is the key electoral issue.

Automobile manufacturers have engaged in what the press calls "car wars" in a price-slashing fight for a dead market, high street shops are staging permanent sales and the housing market is virtually immobile.

Results from the banks in the first half of the year, due this month, were expected to show a big fall in profits that left analysts sceptical about government promises of a recovery by the end of the year.

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China's 13.3 million private businesses rake in profits

BEIJING (R) — China's private businesses, the fruits of more than a decade of economic reforms, are raking in profits for their owners and saving huge amounts of money for the state, the official press has reported.

The agency said that by 1991, China had 13.3 million individually-owned businesses employing more than 20 million people, according to figures released by the State Administration for Industry and Commerce (SAIC).

The businesses, which are mostly small stores, restaurants and repair shops, have quickly made their owners some of the wealthiest people in China.

A SAIC survey of the top 90,000 businesses disclosed that entrepreneurs in large cities sometimes made as much as 6,700 yuan (\$1,264) per year. Many Chinese living in the countryside earn less than \$100 per year.

More than 490 of the businesses were capitalised at over one million yuan (\$188,680) and the SAIC said the real number of yuan millionaires was probably far higher.

The private sector had generated 48.2 billion yuan (\$9 billion) in revenue for the government over the past five years, the SAIC said.

More importantly, private enterprises had created 18 million new jobs with no investment from the state, SAIC said.

This was only slightly fewer than the number of new jobs created by state-run industry over the same period, which drained the national coffers of 130 billion yuan (\$24.5 billion), it added.

China's communist leaders have said the private sector must be allowed to grow, although they repeat that the country's flabby, inefficient state industries will remain the backbone of the nation's economy.

The increasing disparities in income have worried some planners, however, who fear that

grass-roots capitalism may distort China's egalitarian image.

The official China Daily recently quoted one senior Communist Party official as saying private entrepreneurs were welcome to become rich themselves, but "should not forget about the nation and the masses."

Meanwhile rural collectives, the backbone of China's economy during the days of chairman Mao Tseung, are fading fast as farmers strike out on their own looking for individual profits, the China Daily said.

The official paper said in many areas the agricultural collective had been reduced to a mere framework and had partially or completely lost its function as the bridge between the state and the farmers.

The collectives, once known as People's Communes, accounted for 69 per cent of total rural income and 59 per cent of rural fixed assets in 1990, down from almost 100 per cent the 1960s and early 1970s when pure Marxist economies held sway, it said.

The vast majority of China's 800 million peasants are still tied to collectives, but many are earning less money from them.

In some regions, farmer incomes are as much as 60 per cent lower than the national average, and one-ninth the average income in developed areas like Shanghai and Beijing, the paper said.

Official statistics show that some rural collectives are still faring well and that overall, the rural collective economy has expanded over the past decade about as fast as the rest of the economy.

But the newspaper attributed most of this growth to the introduction of the household responsibility system in the early 1980s, which divided commune land and leased it out to individual farmers.

While still responsible for

filling their quota to the state, the farmers could sell any excess produce individually for their own profit.

"In effect, it is a step towards private ownership," one Western diplomat said. "It is directly opposed to the whole collectivisation idea."

Local and foreign economic analysts say in many cases, the collective structure has been gutted, remaining only as a flimsy cover for traditional small-scale individual farming.

Good weather gave China its second successive record grain harvest in 1990, when production reached 435 million tonnes.

But official economists are beginning to worry that the decline of collective farming and its economies of scale may eventually turn the clock back on the country's green revolution.

Official statistics show China actually lost 1.23 million hectares (three million acres) of farmland between 1985 and 1990, and that the relative percentage of irrigated and machine-ploughed farmland had also dropped.

Individual farmers, who still do not technically own their land, are less likely to take precautionary measures, resulting in an increase in desertification, alkalisation and soil erosion, according to official reports.

FOR RENT

Furnished house in Amman suburb. Consists of two storeys, three bedrooms and lounge. For more information call tel.: 848418

TO LET

Ground-floor spacious house in Shmeisani. 3 bedrooms, salon, dining room, kitchen, 2 bathrooms, telephone, independent central heating and garden. PLS. call tel. no. 676911

AUDIO-VISUAL DISPLAY EQUIPMENT

The Jordan Society for the Prevention of Road Accidents needs the following equipment: Overhead Projector, Slide Projector Screen, Television Set, VHS Video Set, Public Address System. Who wishes to sell or donate such equipment may write or phone the Society: P.O. Box 9480, Tel. 666412. The required equipment could be second hand, but in good condition. Donations to the Society are exempted from the income tax as per Prime Ministry decision.

American Community School

The American Community School announces a new programme for 4 and 5 year olds for the 1991-92 school year. The new K-1 and K-2 class will provide a developmental programme with appropriate learning activities for each age group. The emphasis will be on presenting creative lessons designed to allow the pre-school and kindergarten age child to develop socially, physically, emotionally and academically in a positive environment.

Classes will be five days per week from 8:00 a.m. to 12:00 p.m. A reduced tuition and capital assessment rate will apply. Bus transportation is available for an additional fee.

Please contact ACS (813944-6) for additional information.

EMBASSY OF INDIA, AMMAN INDEPENDENCE DAY

To mark the Independence Day of India, a flag hoisting ceremony will take place on **Thursday, August 15, 1991 at 10:00 a.m.** at the Embassy of India, First Circle, Jabal Amman. All Indians are cordially invited to attend the ceremony.

JOB VACANCIES

A leading computer company is in need of applicants to fill the vacancies available in Sales/Marketing positions as follows:

- 1) **Senior Sales/Marketing Executive** — B Sc. Electrical/Electronic engineer with a minimum of 5 years experience. Candidate will be responsible for the selling and marketing of microfilm/microfiche and optical technology systems. Experience in this field is an asset but not necessary. Technical knowledge and/or hands on Unix Systems is also helpful.
- 2) **Junior Sales Executive** — B Sc. Electrical/Electronic engineer and/or computer science and/or B.A. Business and/or B.A. Marketing with or without experience. Candidate must know and understand computer concepts and solutions selling and will be mainly responsible for selling into the manufacturing sector and medium range systems.

Yugoslav truce holds despite clashes Jets attack Serbs, kill 3

BELGRADE, Yugoslavia (AP) — Yugoslav warplanes bombed a Serbian rebel position in Croatia, killing three Serbian militants and wounding four others in the latest violation of a week-old ceasefire, reports said Monday.

The casualty toll was the worst in a single combat incident in secessionist Croatia since the ceasefire between the republic's security forces and Serbian insurgents was declared last Wednesday.

In other clashes over the weekend, another five people were reported killed. But federal authorities insisted that the ceasefire in Croatia appeared to be holding.

Despite the fighting, a weekend exchange of prisoners in Croatia's Slavonia region took place under the ceasefire terms. The Yugoslav News Agency (Tanjug) said 70 more prisoners would be swapped Monday.

More than 200 people have died in fighting, primarily ethnic clashes between rival Serbs and Croats, since Croatia declared independence June 25 in tandem with neighbouring Slovenia.

Meanwhile, in the federal capital of Belgrade, hardline Serbian President Slobodan Milosevic called talks for Monday with Serbia's ally Montenegro on forming a new, smaller Yugoslavia.

The central state of Bosnia-Herzegovina also was invited to the talks.

The bombing incidents Sunday, which was described as an error, began when Croatian Defence Forces opened fire on an army helicopter flying near Topusko, a town 50 kilometres south of the Croatian capital of Zagreb, Tanjug reported.

The helicopter reported the shooting back to base and the air force sent to two fighter bombers to attack. But the aircraft bombed an area controlled by rebel Serbs, Tanjug said.

In other fighting Sunday, two Croatian policemen were killed in a clash between Serbian militants and Croatian forces in the republic. Croatian police reportedly killed an armed Serb Saturday.

Three Serbs and two Croats were exchanged Saturday, followed by 10 more Serbs and 10 Croats Sunday, Belgrade TV and other reports said.

A number of the Croats had been held in the Serbs stronghold of Borovo Selo, and the Serb in the regional centre of Osijek, Tanjug said.

Three of the Serbs interviewed by Belgrade Television bore knife marks on their faces and claimed they were threatened with torture. They said they had been held from 20 to 40 days.

There was no independent confirmation of their claims.

Communist Serbia, the largest Yugoslav republic, says Croatia can leave Yugoslavia, but cannot take ethnic Serbs in the republic



or their territory along. Croatian leaders have vowed not to cede land to its 600,000 Serbs, which make up 12 per cent of Croatia's population.

Mr. Milosevic's political manoeuvring could threaten a spread of the conflict to Bosnia-Herzegovina. The republic has a mixed population, just over 40 per cent Muslim, about 30 per

cent Serb and 18 per cent Croat. Muslims and others fear that Mr. Milosevic wants to form a "greater Serbia," including chunks of territory in Bosnia and Croatia where Serbs live.

Disintegration of Bosnia could touch off conflicts with Muslims in southern Serbia and the ethnic Albanian majority in Serbia's southern province of Kosovo.

N. Korea scraps sports talks over defection

SEOUL (R) — North Korea said Monday it was scrapping talks with South Korea on a joint Olympic team until Seoul repatriates a Northern athlete who defected, government officials said.

North Korea's Olympic Committee Chairman Kim Yoo-Soon said in a letter that the sports talks, scheduled for Saturday, would be postponed indefinitely because of Seoul's "impure attitude."

But there was no mention of more substantive talks scheduled later this month in Pyongyang between the two countries' prime ministers, and officials and diplomats expected this session to go forward.

The cancellation of the sports talks reflected Pyongyang's deep suspicion of Seoul, as the isolated Stalinist state tries to open its doors just wide enough to gain needed economic assistance while preserving its closed society.

Earlier this month, North Korean judoka Lee Chang-Soo sought asylum in an undisclosed South Korean embassy in Europe, telling officials he feared he would be sent to do hard labour when he returned home because his father had failed to offer a television set to an official.

Lee, 24, had competed with his team at an international judo championship in Spain and was en route to Moscow when he defected. He arrived in Seoul on Aug. 4.

"I was fed up with how we had to live oppressed by the government and how we had to do hard

labour for even very small mistakes," Lee quoted as saying. "You tempted our athlete and you claimed he defected to South Korea." Mr. Kim said in his letter, according to Seoul officials.

"So we regard your impure attitude as a severe insult to the sports talks."

"If you really intend to continue the talks you should acknowledge your mistake and send him back to North Korea where his family and comrades are waiting," Mr. Kim said.

The two Koreas last met for sports talks in February when they agreed for the first time to send joint teams to international sporting events — Table Tennis Championships in Japan in April and a soccer tournament in Portugal in June.

North Korea broke off further talks in March in annoyance at the annual U.S.-South Korean Team Spirit military exercises, although the joint teams, the first to compete under a unified Korean flag, were fielded.

Next Saturday's meeting had been scheduled to explore the fielding of a united Korea team at the 1992 Olympic Games in Barcelona.

The fourth round of talks between the two countries' prime ministers, also postponed by Pyongyang in protest against the Team Spirit manoeuvres, are scheduled to take place in the northern capital from Aug. 27 to 30.

Laos frees most royalists, still detains dissidents

VIENTIANE (R) — The Communist government of Laos has freed most of the royalists held since it took power in 1975, but continues to detain officials arrested last year for opposing its rule, officials and diplomats said at the weekend.

Human rights watchdog Amnesty International said in April that Laos had lifted restrictions on all but 33 of the thousands of members of the old regime it put in so-called re-education camps some 16 years ago.

All but nine were freed from April onwards, apparently because of their old age, Western diplomats in Vientiane said.

According to a list made available to Reuters, six of those released were members of the overthrown royal family. At least three were princes, one a brother of former King Savang Varthana who died after Communist detention. Another was a brother of former royalist prime minister, Prince Souvanna Phouma.

"We know they have been released because they just started to show up around Vientiane," one Western diplomat said.

The nine officials still thought to be held in the Indochinese state's remote northeastern province of Hou Phan appeared to be more junior military commanders. The list said three had fought with pro-royalist guerrilla chief Vang Pao.

Mr. Vang Pao led an army of ethnic Hmong tribespeople, funded by the U.S. Central Intelligence Agency, against the Communists. He is now in the

United States but thousands of Hmong who fled Laos with him still live in refugee camps in Thailand and he remains the bete noir of the current government.

In an interview Saturday, Laos Deputy Foreign Minister Souphanh Sritthirath confirmed that a number of royalist officials had been released and several were still in detention.

"We have released the majority," Mr. Souphanh said. "I don't remember, but maybe there are some who have committed some crime or committed some illegal action so we should keep them."

Their detention "depends on the gravity of their breach," he said.

Diplomats said none of the people in re-education camps had been formally tried and were held under indefinite sentences.

"That was the worst part about it. They never knew if they would ever be released," one said.

"It's puzzling why they were held for so long as they are very old and offer no threat to the government," he said.

Mr. Souphanh said there were no other political detainees in Laos except three senior officials arrested last October.

Diplomats said Thongsouk Saisangkh, former deputy minister of science and technology, Latsami Khamphut, deputy agriculture minister, and a Justice Ministry official were arrested for writing an article in support of a multi-party system.

"They acted against the law to overthrow the administration. Of course we should arrest them," Mr. Souphanh said.

Pol Pot visits Khmer Rouge bases

BAN DAN CHUMPHON, Thailand (R) — Pol Pot, one of the most elusive, enigmatic and reviled figures of Cambodia, now drives around Thai border regions in a Japanese estate car.

Glomped rarely by foreigners, Pol Pot is often seen by locals on roads around this remote border town in his Datsun with darkened windows and Thai licence plates when he inspects his troops.

He is the man who led Cambodia's ultra-leftist Khmer Rouge through their "killing field" years. He is believed still to be paramount leader of the group, which dominates the tripartite guerrilla coalition fighting the Hanoi-backed government in Phnom Penh for 12 years.

"Pol Pot is the mystery man for the world, but for the villagers here he is not a stranger," a Thai provincial official, who owns a rubber plantation near the local Khmer Rouge military headquarters, said in an interview at the weekend.

Pol Pot, whose Khmer Rouge regime was responsible for the deaths of more than a million Cambodians from 1975 to 1978, officially retired after the Vietnamese army drove the Khmer Rouge out of Phnom Penh in early 1979.

Many in eastern Thailand say he is far from retiring. "He regularly visits this area," a Thai aid worker said.

He travels with a bodyguard of 30 heavily armed Khmer Rouge fighters. Thai soldiers arrive at his scheduled stops in advance.

The Thai army, traditionally fearful of the Vietnamese, has offered sanctuary to the Khmer Rouge since the collapse of the radical anti-bourgeois rule.

Pol Pot, who is in his mid-60s, usually dresses in a long-sleeved Chinese suit of the kind worn by the late Chinese leader Mao Tse-tung, the aid worker said.

The aid worker said he came to the area last March after heavy fighting near the border sent thousands fleeing to the local Khmer Rouge military headquarters. So many were wounded that the Khmer Rouge asked for humanitarian aid.

Since then an uneasy ceasefire has come into force and the four Cambodian factions have moved rapidly toward agreement on a U.S.-brokered peace plan that would allow elections.

The breakthrough on progress toward peace came with a softening of the Khmer Rouge stand at a meeting in June of the Supreme National Council, representing Cambodian sovereignty in the transition to an elected government.

None of the local people interviewed knew where Pol Pot lived. A Thai official with a local rubber plantation said that two years ago the Khmer Rouge leader lived to the south in Nong Bua village, near the provincial capital of Trat.



Eduard Shevardnadze
Democracy cannot wait

LONDON (AP) — Former Soviet Foreign Minister Eduard Shevardnadze warned in comments published Monday that the Soviet Union urgently needs democratic reforms to counter "destructive forces" that threaten it.

Mr. Shevardnadze, who resigned as foreign minister in December, wrote in the Independent newspaper that democratic reforms must come before economic reforms can be tackled.

"That was what drove me — and the group of people who thought like me — to create a new party, the Democratic Reform Movement," he wrote, in an article in the Independent newspaper.

Mr. Shevardnadze, 63, quit the Communist Party on July 3 and is founding the pro-democracy coalition that is expected to become an opposition party.

"I imagine the movement thus: We would gather for conferences and agree joint tactics for the republics and the regions. Russian democrats would show solidarity with democrats in Lithuania, Ukraine, Kazakhstan, and Turkmenia — and in turn would count on reciprocal support," he wrote.

The visit planned for Monday would have marked the first time that Communist officials set foot on Taiwan since 1949, when the nationalists retreated to the island losing a civil war on the mainland.

The officials of China's Red Cross Society said they planned to negotiate for the return of the fishermen, while Taiwan insisted that the group limit its activities to a three-day "humanitarian visit."

Ma Ying-jeou, deputy chairman of Taiwan's Mainland Affairs Committee, said permission for the visit was revoked because Peking "failed to respect" the Nationalists' judicial system.

He said two Chinese reporters

Argentines vote in 3 provinces

BUENOS AIRES, Argentina (R) — Three provinces have voted in Argentina's mid-term polls, a first major test for President Carlos Menem, the Peronist leader who places his free market reforms above the electoral fray.

Local newspapers, reflecting opinion surveys, said the vote in the provinces of San Luis, Rio Negro and San Juan will not change the political map, but will set the stage for Sept. 8, when 12 provinces and the federal district go to the polls.

The remaining eight provinces are scheduled to vote on Oct. 27, ending the elections to renew half the 254-seat House of Representatives, provincial governors and local legislators.

On the eve of the elections Mr. Menem said in a televised speech he will summon opposition parties to talks once the voting is over, but warned that his economic programme was not negotiable.

His economy minister, Domingo Cavallo, wants to finish privatising most state-owned companies and services next year. His fiscal austerity has balanced the government's books, winning approval of international lending agencies and even private bankers who are once again willing to raise loans for a country that is not fully servicing its \$40 billion commercial debt.

According to independent surveys, the Peronist Party stands to lose ground in the elections. It now governs 17 of Argentina's 23 provinces and holds a slim majority over the centrist Radical Civic Union in congress' lower house.

Mr. Menem, who swept into power in 1989 by a landslide margin, has said he expects his party will win in about 10 provinces. But polls suggest Peronists will only succeed in some six provinces, ceding to radical and provincial party candidates.

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Mr. Kaifu's four-day visit, which ends Tuesday, marks a return to normal relations between the two governments.

Mr. Kaifu said he told Mr. Li "the way China intends to address human rights questions should be clear and understandable to the world community."

"That is the way to improve the status of China in the world community," Mr. Kaifu said.

Earlier, Kaifu's spokesman, Sadaki Numata told reporters, "he hoped for further efforts on the part of China in this regard so he can tell the world that further efforts are being made."

Japan joined Western democracies in imposing sanctions against China to protest the bloody June 1989 crackdown on dissent. But since last year Japan

China urged to improve human rights

PEKING (Agencies) — Japanese Prime Minister Toshiki Kaifu Monday urged Chinese leaders to improve their human rights record so that he can press other nations to improve their relations with Peking.

Mr. Kaifu is the first leader of an industrial power to visit China since its army violently suppressed pro-democracy demonstrations in June 1989.

"With regard to respect for human rights, I very frankly told Premier Li Peng that the G-7 countries, including Japan, still are concerned strongly about human rights," Mr. Kaifu said.

The "group of seven" countries are Japan, the United States, Britain, France, Germany, Canada and Italy.

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has sought to end Peking's isolation.

Mr. Kaifu said that during his visit, he has had "candid discussions" with Chinese leaders on disarmament, regional conflicts and democratic reforms. The Japanese leader leaves Tuesday for a one-day trip to Mongolia.

Mr. Li's statement during a meeting Saturday that China is prepared to engage in discussions on human rights.

"We intend to point out problems as we see them candidly, and try to gain their understanding," Mr. Kaifu said. He said, however, that he did not raise specific cases of human rights violations with Chinese leaders or set any conditions.

China traditionally has rejected comments on its human rights record by other countries, calling it an interference into its internal affairs. But that policy began to change late last year.

Meanwhile Chinese Communist Party General Secretary Jiang Zemin told Mr. Kaifu Monday that China would not tolerate outside pressure to change its system.

"We will not force our Socialist system onto other countries," Japanese officials travelling with Mr. Kaifu quoted Mr. Jiang as telling the Japanese leader.

"And we will not allow other countries to interfere with our system," Mr. Jiang told Mr. Kaifu when they met at the walled Zhongnanhai compound.

Italy prepares to send back remaining Albanians, will use force if needed

BARI, Italy (R) — Italy prepared Monday to use force if necessary to send back the last of 10,000 Albanian refugees who arrived in Bari Harbour last week.

Up to 2,000 of the world-be immigrants remained on the quayside or in a disused soccer stadium where they have been cooped up since Thursday.

Official figures said 9,800 Albanians had been flown or shipped back home by Monday morning — some 1,500 of them from Brindisi further south.

Italian Foreign Minister Gianni De Michelis was set to meet Albanian leaders, including his counterpart Muhamed Kapllani in Tirana Monday afternoon to discuss the crisis.

Three ferries were standing by ready to take the remaining refugees on board under heavy police escort. But a military official at the victory stadium said he was worried fresh clashes could break out.

"There are still several hundred desperate people holding out inside the stadium. Many are

ready to use force," he said. After arriving packed on a rusty freighter that broke a naval blockade of the port, many of the refugees violently resisted an Italian government order to get them sent straight back to Albania, Europe's poorest country.

On Sunday, police and troops fired teargas and baton-charged Albanians flinging chunks of wood and stones at them on the docks.

Several hundred refugees decided at an open-air assembly at the stadium Sunday night to fight rather than go back home.

Interior Minister Vincenzo Scotti met police chiefs in Bari overnight and officials said force would be used as a last resort to make the refugees obey Rome's order for their repatriation.

Italy sees the Albanians as illegal immigrants and has allowed only army deserters to stay, granting them political refugee status. The deserters face long jail terms if they return home, Italian officials said.

Only some 500 Albanians were left on the docks Monday

morning, an unlikely battlefield reeking of sweat and urine and covered in litter.

A senior military official at the docks said troops were persuading the refugees to board ferries bound for Tirana. He said the last of them should be leaving by Monday evening.

Albanians queued up quietly for a last lunch-pack of mortadella sausage and bread, milk and water.

"We held out for five days," said a resigned Alban Beremine, an unemployed mechanic from Tirana.

"We've had little or no food, no water to wash. I don't want to go but what can you do if the police use force and scare you?" said Beremine, 31, weak and haggard as he waited to board a ferry.

The Albanians, like 24,000 of their compatriots who landed on Italy's southern Adriatic shores last March, dreamed of a better life in Italy. The order for their forced repatriation has been a rude awakening.

Taiwan cancels visit by Peking officials

TAIPEI (AP) — Taiwan Monday cancelled the first visit ever by mainland Chinese officials because of a dispute over the status of their mission to contact Chinese fishermen held on kidnapping charges.

The visit planned for Monday would have marked the first time that Communist officials set foot on Taiwan since 1949, when the nationalists retreated to the island losing a civil war on the mainland.

The officials of China's Red Cross Society said they planned to negotiate for the return of the fishermen, while Taiwan insisted that the group limit its activities to a three-day "humanitarian visit."

Ma Ying-jeou, deputy chairman of Taiwan's Mainland Affairs Committee, said permission for the visit was revoked because Peking "failed to respect" the Nationalists' judicial system.

He said two Chinese reporters

accompanying the two Red Cross officials would be allowed to travel to Taiwan as planned to cover the trial of the Chinese fishermen accused of abducting a Taiwanese fisherman.

The Red Cross officials and reporters flew to Hong Kong Monday from Peking. A Cathay Pacific Airways spokesman in Taipei said the government told the airline not to let the Red Cross officials board its flight from the British colony to Taipei.

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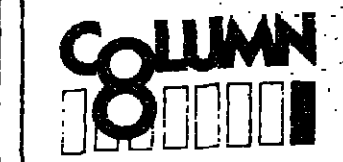
More money will be provided for school fees and to subsidise health care, he said. Help was promised for those who cannot afford or are ineligible for government apartments.

Citing Yugoslavia as an example, Mr. Goh said his country's future depended on unity and cohesion.

"If Singaporean Chinese, Malays, Indians, Eurasians do not begin to care for one another, to care for each other's welfare, we may go the same way (as Yugoslavia). It is not easy to build up this sense of family among people of different races, but we must try," he said.

Mr. Goh said he wanted a direct mandate from the voters because he was installed as prime minister by his PAP colleagues after a 13-year apprenticeship in Mr. Lee's cabinet.

"I hope that you will endorse



Edinburgh Festival begins

EDINBURGH (AP) — The world's biggest arts festival has opened in Edinburgh with a group of juvenile offenders from a jail and performers from the Soviet Bloshoi and Kirov companies in the limelight. The 14 teenagers will act out *Bad*, the true story of boys who have been in prison. Seven of the youths are still in Polmont Young Offenders' Institution and have been driven to rehearsals under guard to join seven just out of jail. They open on the fringe on Aug. 19. The U.S. presence at the 45th Edinburgh International Festival is minimal with no American orchestra, opera or dance troupe.

Twenty-nine U.S. groups are in the fringe, the unofficial festival that runs in tandem with the three-week entertainment. Fringe performers have to pay their own way and normally have no hope of recovering expenses.

"As juveniles, the actors in *Bad* can only be referred to by first names. Thomas, doing two and a half years for assault and robbery, told Edinburgh's Evening News: "It was hard to resist the temptation to run away but I knew I would be letting down a lot of people if I did a bunk (ran off)."

Meanwhile Chinese Communist Party General Secretary Jiang Zemin told Mr. Kaifu Monday that China would not tolerate outside pressure to change its system.

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my style of government, my way of doing things and my programme," Mr. Goh said in a speech on national TV.

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